



Annual Report 2022

The University of Sydney
NSW 2006

April 2023

The Hon. Tim Crakanthorp MP
Minister for Skills, TAFE and Tertiary Education
Minister for the Hunter
52 Martin Place
Sydney NSW 2000

Dear Minister,

The Senate of the University of Sydney has the honour of presenting to you, in accordance with the *Annual Reports (Statutory Bodies) Act 1984 No 87* and the *Annual Reports (Statutory Bodies) Regulation 2015*, the report of the proceedings and financial statements of the University of Sydney for the year ended 31 December 2022.

Yours sincerely,



Belinda Hutchinson AC
Chancellor



Professor Mark Scott AO
Vice-Chancellor and President



Year in review	2	Legal change	28
Statutory report	3	Human resources	30
Our charter	3	HR-related policies and practices	30
Aims and objectives	3	Employee Payments Review	30
Management and structure	4	Strategic talent acquisition and strategic hires	31
Senate	4	Workforce diversity	33
Academic Board	4	COVID-19 impacts and flexible working	33
Executive management	4	Aboriginal and Torres Strait Islander peoples	33
Principal activities	4	Cultural diversity	33
University officers	5	Disability	34
Faculty and University school leadership	6	Gender equity	34
Organisational structure	7	LGBTQIA+	35
University of Sydney Senate 2022	8	Diversity of University staff statistics	35
Strategy and operations	11	Consumer response	36
Launch of 10-year strategy	12	Sexual misconduct	36
Indigenous Strategy	13	Student complaints	36
Sustainability Strategy	14	Staff complaints	37
Culture Strategy	14	Infrastructure, facilities	
Doctor of Medicine degree in Dubbo	15	and campus security issues	37
Curriculum and student experience	15	Cyber security	38
Student experience	15	Risk management and insurance	39
Postgraduate education and		Work health and safety	40
micro-credentialling	16	Privacy and freedom of information	43
Supporting education	16	Financial review of 2022	46
Industry and Community Project Units (ICPUs)	16	Independent Auditor's Report	57
Global mobility	16	Auditor's Independence Declaration	62
Student enrolments	17	Responsible Entities' Declaration	63
Research performance	19	Statement by the Accountable Authority	64
External engagement	22	2022 Annual Financial Statements	65
Philanthropy	24		
Promotion	25		
Other issues	26		
Freedom of speech and academic			
freedom attestation statement	26		
Educational integrity	26		
New Enterprise Agreement	27		
Modern slavery	27		

Year in review

In 2022 the University of Sydney returned to life on campus that was much closer to the ‘old normal’ and students enjoyed a rejuvenated on-campus experience. And while the pandemic continued to cast a prominent shadow over the University, there were many grounds for optimism, most notably the launch of a long-horizon strategy to position us as one of the world’s great global universities by 2032.

The jubilation on campus was palpable in the early months of the year as COVID restrictions eased. In January the University of Sydney Medical School welcomed the first cohort of 24 students studying the new full four-year Doctor of Medicine program in Dubbo, and a month later more than 45,000 students joined us for the biggest Welcome Week in history, after two years of remote learning and lockdowns.

However, that excitement was tempered by the realities of the pandemic. Many international students were still unable to leave their home countries and we continued to offer a hybrid model of face-to-face and remote learning. At the same time, we saw steady increases in numbers of students here in person – by early September 81 percent of our enrolled students were back on campus, compared to a total of almost 44 percent for the calendar year 2021.

The May election of the Albanese Government resulted in a renewed focus on policy activity, culminating with the on-campus launch in November of the new Australian Universities Accord process by Education Minister Jason Clare. As our government engagement changed irrevocably, so did the makeup of the University’s senior leadership. We had a major refresh of executive staff in 2022, with a notable rise in female representation – by the end of July three quarters of our executive team were women. This encouraging statistic was complemented by many other important advancements in diversity and inclusion – for example, we were proud to develop and launch our 2022-2024 *Aboriginal and Torres Strait Islander Employment Plan* and to reach the highest-ever level of new Aboriginal and Torres Strait Islander people joining the University. Of course, there is still more to be done to build a more diverse workforce and inclusive culture at Sydney.

In August we celebrated the defining milestone of launching our *Sydney in 2032* strategy. Our 10-year strategy is underpinned by aspirations in research,

education, diversity, and creating an environment where our staff and students can do their best work. More than 6500 students, staff, alumni and external partners helped us to shape the strategy. Our key initial commitments include:

- expanding educational opportunities for under-represented domestic students, chiefly through the new MySydney scholarships scheme
- a landmark investment of \$478 million in the Sydney Biomedical Accelerator (SBA), a biomedical precinct that will address some of the world’s most complex health challenges
- continuing to build our presence in Western Sydney.

Advancing sustainability will be another critical priority for the next decade and in 2022 we achieved significant gains. We were thrilled to be recognised as a leader in sustainability – equal 1st place nationally and equal 5th place globally in the QS Sustainability Rankings.

As international travel opened up for our students in 2022, so did opportunities to renew and grow relationships with international partners face to face and to benefit from fact-finding missions to the US for the SBA. Generous gifts from our donor community poured in \$73 million to the SBA and reflect the extraordinary breadth and depth of our research and education activities, from the Charles Perkins Centre (which celebrated its 10-year anniversary in 2022) to sustainable transport technology and Tibetan Buddhist studies.

Despite ongoing headwinds, the University again finished the year in a remarkably good position. We sincerely thank our staff and students for their hard work and great endeavours in challenging circumstances and are very grateful to our wonderful alumni, donors, partners and other members of our broader community who continue to invest heavily in our research and education.



Belinda Hutchinson AC
Chancellor



Professor Mark Scott AO
Vice-Chancellor and President

The University of Sydney 2022 Annual Report

Statutory Report

As Australia's first university – founded in 1850 – the University of Sydney has a proud history of global leadership in education and research and inspiring people from all backgrounds to contribute to positive real-world change. We're a world-renowned teaching and research institution – our research combines the expertise and talents of scholars from many disciplines.

A history of thinking forward

We make lives better by producing leaders of society and equipping our people with leadership qualities so they can serve our communities at every level. Through learning, critical analysis and active contribution to public debate, we help to shape Australia's national and international agenda. Find out more at sydney.edu.au

Our charter

The University of Sydney was incorporated by the Parliament of New South Wales on 1 October 1850, making it the first university to be established in Australia. For details of the University's principal function, under the *University of Sydney Act 1989*, please visit page 4.

Aims and objectives

As a leader in tertiary education, we have been challenging traditions for more than 160 years. We were one of the first universities in the world to admit students solely on academic merit. We aim to create and sustain a university in which, for the benefit of both Australia and the wider world, the brightest researchers and the most promising students from all social and cultural backgrounds can thrive and realise their full potential.

In creating the first university in Australia, our founders recognised the power of education to change society. We hold that belief just as strongly today.

Management and structure

Senate

The Senate is the governing authority of the University, with functions conferred on it by the *University of Sydney Act 1989* (as amended). The Senate oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the University's physical and academic development.

Composed of 15 Fellows and chaired by the Chancellor, the Senate awards all degrees and diplomas and is responsible to the Parliament of New South Wales.

The Vice-Chancellor and President and the Chair of the Academic Board are both ex officio members of the Senate.

Academic Board

The Academic Board, which reports to the Senate, is responsible for safeguarding the quality of the University's academic activities. It is an elected body that includes staff and student representation from across the University's academic communities.

The Academic Board provides advice to the Senate and the Vice-Chancellor on all academic matters, including their relationship to the University's strategic priorities and policies, the conditions of appointment and employment of academic staff, the approval of new and revised courses, and the maintenance of academic standards.

Executive management

The Vice-Chancellor is the principal administrative officer, or chief executive, of the University and has line management responsibility for the Provost and Deputy Vice-Chancellor and a number of deputy vice-chancellors and vice-presidents who, with the Vice-Chancellor and other leadership staff, comprise the University's leadership team.

The Vice-Chancellor chairs the University Executive – the University's senior leadership team – which includes the faculty deans. The University Executive is representative of the University's diverse academic and administrative communities and is accountable to the Senate for the academic and financial health of the University.

For more information about our governance and structure, visit: sydney.edu.au/about-us/governance-and-structure.html

Principal activities

Under section 6 of the *University of Sydney Act 1989* (as amended), the object of the University is the promotion, within the limits of the University's resources, of scholarship, research, free enquiry, the interaction of research and teaching, and academic excellence.

The University has the following principal functions for the promotion of this object:

- the provision of facilities for education and research of university standard
- the encouragement of the dissemination, advancement, development and application of knowledge, informed by free enquiry
- the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community
- participation in public discourse
- the conferring of degrees, including those of bachelor, master and doctor, and the awarding of diplomas, certificates and other awards
- the provision of teaching and learning that engage with advanced knowledge and enquiry
- the development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out in this subsection, and that are sufficient to ensure the integrity of the University's academic programs.

The University has other functions, as follows.

- The University may exercise commercial functions comprising the commercial exploitation or development, for the University's benefit, of any facility, resource or property of the University or in which the University has a right or interest (including, for example, study, research, knowledge and intellectual property and the practical application of study, research, knowledge and intellectual property), whether alone or with others.
- The University may develop and provide cultural, sporting, professional, technical and vocational services to the community.
- The University has such general and ancillary functions as may be necessary or convenient for enabling or assisting the University to promote the object and interests of the University, or as may complement or be incidental to the promotion of the object and interests of the University.

- The University has such other functions as are conferred or imposed on it by or under this or any other Act.
- The functions of the University may be exercised within or outside the state, including outside Australia.

University officers as at 31 December 2022

CHANCELLOR

Belinda Hutchinson AC
BEc *Sydney*, FCA

DEPUTY CHANCELLOR

Richard Freudenstein
BEc LLB (Hons) *Sydney*

VICE-CHANCELLOR AND PRESIDENT

Professor Mark Scott AO
BA DipEd MA Hon DLitt *Sydney*, MPA *Harvard*,
Hon DBus *UNSW*, Hon DUniv *UTS*, FAICD, FRSN

DEPUTY VICE-CHANCELLORS

Provost and Deputy Vice-Chancellor

Professor Annamarie Jagose
PhD *Wellington*, FAHA

Deputy Vice-Chancellor (Education)

Professor Joanne Wright
BA (Joint Hons) *Kent*, MLitt *Aberdeen*, PhD *ANU*

Deputy Vice-Chancellor (Indigenous Strategy and Services)

Professor Lisa Jackson Pulver AM
MPH GradDipClinEp PhD *Sydney*, MA *Deakin*

Deputy Vice-Chancellor (Research)

Professor Emma Johnston AO
FAA FTSE BSc (Hons), PhD *Melbourne*

PRO-VICE-CHANCELLORS

Pro-Vice-Chancellor (Academic Excellence) and Pro-Vice-Chancellor (Education – Enterprise and Engagement)

Professor Richard Miles
BA *Lpool* PhD *Camb*, FSA

Pro-Vice-Chancellor (Educational Innovation)

Professor Adam Bridgeman
BA *Oxford*, PGCE *Birmingham*, PhD *Cambridge*

Pro-Vice-Chancellor (Global and Research Engagement)

Professor Kathy Belov AO
FAA FRSN BSc (Hons), PhD *Macquarie*

Pro-Vice-Chancellor (Research)

Professor Benjamin Eggleton
FAA, FTSE, FOSA, FIEEE, FSPIE, FAIP,
FRSN, BSc (Hons), PhD *Sydney*

Pro-Vice-Chancellor (Research – Enterprise and Engagement)

Professor Julie Cairney
BMetEng *UNSW*, PhD *UNSW*

Pro-Vice-Chancellor (Student Life)

Professor Susanna Scarparo
PhD *Auckland* PFHEA

Pro-Vice-Chancellor Indigenous (Academic)

Professor Jennifer Barrett
PhD *UTS*

VICE-PRESIDENTS

Vice-President (Advancement)

Rosalind Ogilvie
LLB BA *Melbourne*

Vice-President (External Engagement)

Kirsten Andrews
BA (Hons) *UniSA*, MPP *Sydney*

Vice-President (Operations)

Stephen Phillips
BCom *Wits*

Vice-President (Strategy)

Rebecca Murray
BA MSocSc *UON*

General Counsel

Olivia Perks
MBA *Sydney*, LLB (Hons) *UTS*, BA *Sydney*

Chair of the Academic Board

Professor Jane Hanrahan
PhD *Warwick*, GradCertEdStudies (Higher Ed),
MRACI CChem

Chief Governance Officer

David Pacey
BBus GradCertMgmt GradDipBus *CSU*, FGIA

Faculty and University school leadership as at 31 December 2022

Faculty Deans

Faculty of Arts and Social Sciences

Professor Lisa Adkins
BA (Hons) *Sussex*, PhD *Lancaster*

The University of Sydney Business School

Professor Leisa Sargent
GAICD, BA MPsychOrg *Queensland*, PhD *Toronto*

Faculty of Engineering

Professor Willy Zwaenepoel
BS *Ghent* MS PhD *Stanford*

Faculty of Medicine and Health

Executive Dean and Pro-Vice-Chancellor
Professor Robyn Ward AM
FAHMS, MBBS (Hons), PhD *UNSW*

Faculty of Science

Professor Philip Gale (Acting Dean)
MA DPhil DSc *Oxford*

Heads of school and deans of University schools

The University of Sydney School of Architecture, Design and Planning

Professor Robyn Dowling
BEc (Hons) *Sydney* MA, PhD *BrCol*

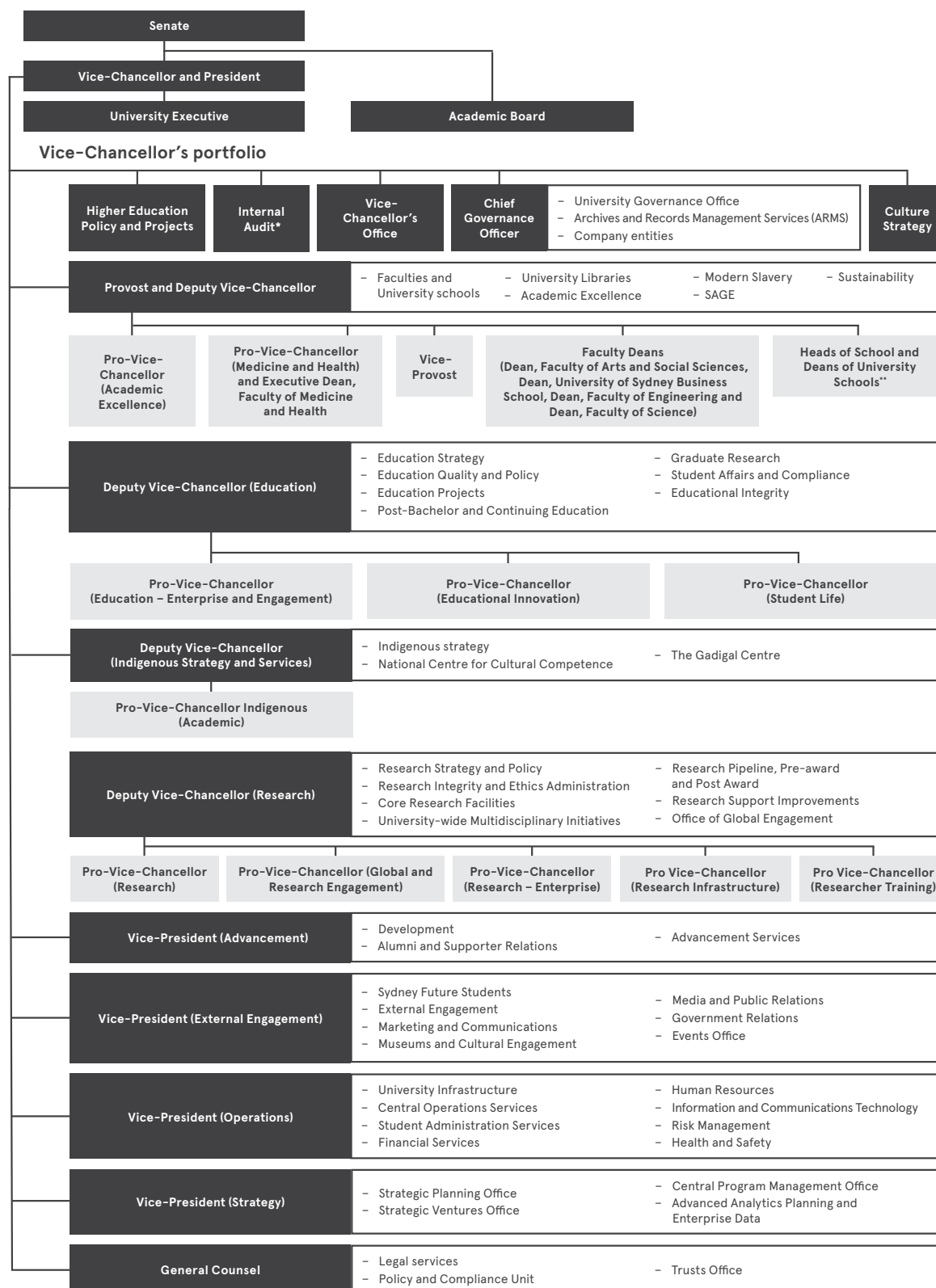
Sydney Conservatorium of Music

Professor Anna Reid
BMus (Perf) *Sydney* MA EdAdmin *UNE* PhD *UTS*

The University of Sydney Law School

Professor Simon Bronitt
LLB *Bristol* LLM *Cam*

University of Sydney organisational structure as at 31 December 2022



* Internal Audit has a reporting line to the Vice-Chancellor and President but the Office of General Counsel manages its daily activities.

** These roles include the following: Head of School and Dean, University of Sydney School of Architecture, Design and Planning; Head of School and Dean, the Sydney Conservatorium of Music and Head of School and Dean, the University of Sydney Law School.

University of Sydney Senate 2022

The Fellows of the Senate of the University of Sydney present their report on the consolidated entity consisting of the University of Sydney and the entities it controlled at the end of, or during, the year ended 31 December 2022.

The role of the Senate

The Senate is the governing authority of the University, with functions conferred on it by the *University of Sydney Act 1989* (as amended). The Senate oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the University's physical and academic development.

The Senate can report that the University is compliant with the Voluntary Code of Best Practice for the Governance of Australian Universities.

In 2022, Senate:

- oversaw the University's continued COVID-19 response supporting all staff and students to adapt to life, study and work in alignment with health advice, and welcomed the release of the Sydney Policy Lab's *Open Society, Common Purpose Taskforce 2022 Report* in which University academics, together with civil and industry experts, considered how a post-pandemic Australia can build back better and sustainably
- approved the University's new strategy, *Sydney in 2032* and the 2023 – 2025 roadmap for each of the strategic aspirations of education, diversity, research and 'better place to work'
- welcomed the announcement by the Federal Government to work closely with universities to deliver the Australian Universities Accord, which will build a long-term plan for Australia's higher education system
- approved \$30.6 million in funding to further initiatives under the University's Sustainability Strategy 2020 – 2025 and noted the University's sustainability achievements, including the launch of the inaugural Climate Action Report 2022 and the awarding of a 'silver' Sustainability Tracking and Reporting System (STARS) rating for the University's Living Lab projects
- continued to support the transformation of the student experience, such as comprehensive life-cycle support initiatives for Higher Degree by Research students, increased access for students residing in

low socio-economic areas to scholarships and funding, and an improved examinations and assessment experience for students

- unveiled the \$200 million purpose-built Engineering and Technology Precinct (J03) and launched the state-of-the-art Dubbo Rural Clinical School that will support the world-class Doctor of Medicine program
- committed a landmark \$478 million to the development of the Sydney Biomedical Accelerator, a nation-leading biomedical research complex to be co-located at the Royal Prince Alfred Hospital and the University's Camperdown campus
- approved \$10 million for the innovative fit out of the research and teaching space at the Westmead Health Precinct to better prepare medical and nursing students for clinical practice – a partnership with Western Sydney Local Health District
- welcomed numerous high-calibre executive appointments, including Professor Joanne Wright as Deputy Vice-Chancellor (Education); Professor Emma Johnston as Deputy Vice-Chancellor (Research); Kirsten Andrews as Vice-President (External Relations); Professor Leisa Sargent as Dean, University of Sydney Business School; Professor Marcel Dinger as Dean, Faculty of Science; and Professor Lisa Adkins as Dean, Faculty of Arts and Social Sciences
- saw the Multidisciplinary Initiative Program continue to harness the research of the University in creative and innovative ways to solve pressing societal challenges, attract funding and philanthropy, and create new government, civil and industry partnerships
- celebrated the University's continued three-year rise in the Academic Ranking of World Universities (ARWU) and remarkable achievements in the ShanghaiRanking's Global Ranking of Academic Subjects and QS Subject Rankings (for more information, visit sydney.edu.au/about-us/our-world-rankings.html)
- maintained a high level of monitoring of safety, health and wellbeing-related matters and supported a wide range of initiatives, including the implementation of 24/7 support mechanisms for staff and students
- saw the implementation of governance and policy frameworks under the One Sydney, Many People (OSMP) Indigenous Strategy, including the University's first Indigenous Procurement Strategy

- supported academics from Ukraine through the Scholars at Risk Fellowship Scheme and partnered with the Australian National University to deliver a livestreamed address from President Volodymyr Zelensky
- committed to maintaining and enhancing the sector-leading provisions in the University's Enterprise Agreement through ongoing negotiations with the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU) to develop a new Enterprise Agreement that sustainably supports the delivery of transformational student-focused education and world-class research.

Fellows of Senate

As at 31 December 2022

Chancellor

Belinda Hutchinson AC

BEC *Sydney*, FCA

Current term as Chancellor:

4 February 2017 – February 2025

Deputy Chancellor

Richard Freudenstein

BEC LLB (Hons) *Sydney*

Current term as Deputy Chancellor:

1 April 2022 – 31 March 2024

Vice-Chancellor and President

Professor Mark Scott AO

BA DipEd MA Hon DLitt *Sydney*, MPA *Harvard*,

Hon DBus *UNSW*, Hon DUniv *UTS*, FAICD, FRNS

Current term as Vice-Chancellor:

July 2021 – July 2026

Chair of the Academic Board

Professor Jane Hanrahan

PhD *Warwick*, GradCertEdStudies (Higher Ed),

MRACI CChem

Current term as Chair of Academic Board:

1 January 2022 – 31 December 2023

Two external persons appointed by the Minister for Education

Richard Freudenstein (Deputy Chancellor)

BEC LLB (Hons) *Sydney*

Current term as Fellow of Senate:

1 December 2021 – 30 November 2025

Dr Lisa McIntyre

BSc (Hons) *Sydney*, PhD *Cantab*

Current term as Fellow of Senate:

1 December 2019 – 30 November 2023

Five external persons appointed by the Senate

Jason Yat-sen Li

BA LLB (Hons) *Sydney* LLM *NYU*

Current term as Fellow of Senate:

1 December 2021 – 30 November 2025

Kate McClymont AM

BA (Hons) *Sydney*

Current term as Fellow of Senate:

1 December 2021 – 30 November 2023

Karen Moses

BEC *Sydney*

Current term as Fellow of Senate:

1 December 2021 – 30 November 2023

Emeritus Professor Alan Pettigrew

BSc (Hons) *Sydney*, PhD *Sydney*, Hon DSc *UOW*

Current term as Fellow of Senate:

9 May 2019 – 30 November 2023

Peter Scott

BE (Hons) *Monash*, MEngSc *UNSW*, HonFIEAust MICE

Current term as Fellow of Senate:

1 December 2019 – 30 November 2023

Two persons elected by and from the academic staff

Associate Professor Maryanne Large

BSc (Hons) *Sydney*, PhD *Trinity*

Current term as Fellow of Senate:

1 June 2021 – 31 May 2023

Professor Renae Ryan

BSc (Hons) *Sydney*, PhD *Sydney*, GAICD

Current term as Fellow of Senate:

1 June 2021 – 31 May 2023

One person elected by and from the non-academic staff

Dave Burrows

BA *Sydney*

Current term as Fellow of Senate:

1 June 2021 – 31 May 2023

One person elected by and from the postgraduate students

Yinfeng (Benny) Shen

BCom *Sydney*

Current term as Fellow of Senate:

1 December 2022 – 30 November 2024

One person elected by and from the undergraduate students

Ben Jorgensen

Current term as Fellow of Senate:

1 December 2022 – 30 November 2024

Register of Interests

In accordance with Schedule 2A of the Act, Senate Fellows and members of Senate Committees have a duty to disclose any material interest to a meeting of Senate or a Senate Committee. Where a Fellow or a member has a material interest in a matter being considered or about to be considered at a meeting of the Senate or of a Senate Committee, and the interest appears to raise a conflict with the proper performance of the Fellow or member's duties in relation to the consideration of the matter, the Fellow or member must, as soon as possible after the relevant facts have come to the Fellow or member's knowledge, disclose the nature of the interest at a meeting of the Senate or of a Senate Committee.

Senate also collects and reports on any Related Party Transactions undertaken by the University and a Fellow or committee member.

Senate makes available a register of those declared interests and transactions online at: sydney.edu.au/about-us/governance-and-structure/governance/senate/register-of-interests.html

Senate committees

Senate has established the following committees to assist it with the exercise of its functions:

- Building and Estates Committee
- Finance Committee
- Finance Investment Subcommittee
- People and Culture Committee
- Risk and Audit Committee
- Honorary Awards Committee
- Nominations Committee

The table below records attendance for committees that operated in 2022. For more information, visit sydney.edu.au/about-us/governance-and-structure/governance/senate/senate-committees.html

Attendance by Fellows at Senate and its committees in 2021

Position	Name	Senate			BEC			FC			FC ISC			PCC			RAC			NC			HAC		
		A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C
Chancellor	Belinda Hutchinson AC	9	9	9	5	5	5	8	8	8	5	5	4	13	13	13	4	4	4	5	5	5	4	4	4
Deputy Chancellor	Richard Freudenstein	9	9	8	5	5	3	8	8	6	5	5	4	13	13	12	4	4	3	5	5	5	4	4	4
Vice-Chancellor	Professor Mark Scott AO	9	9	9	5	5	5	8	8	8	5	5	4	13	13	13	4	4	3	5	5	5	4	4	3
	Dr Lisa McIntyre	9	9	8				8	8	7	5	5	4							5	5	3			
Pro-Chancellors	Jason Yat-sen Li	9	9	7										13	13	13	4	4	4						
	Kate McClymont AM	9	9	9										13	13	12							4	4	3
	Emeritus Professor Alan Pettigrew	9	9	8										13	13	13	4	4	2	5	5	4			
Chair of Academic Board	Professor Jane Hanrahan	9	9	9	5	5	5													5	5	5	4	4	3
	Karen Moses	9	9	9				8	8	8	5	5	5				4	4	2						
	Peter Scott	9	9	7	5	5	5	8	8	8										5	5	5			
	Associate Professor Maryanne Large	9	9	8				8	7*	6															
	Professor Renae Ryan	9	9	9													4	4	4				4	4	2
Fellows	Dave Burrows	9	9	9	5	5	5																		
	Lachlan Finch (^)	9	8	7				8	8	4															
	Gabrielle Stricker-Phelps (^)	9	8	8	5	5	5																		
	Ben Jorgensen	1	1	1																					
	Yinfeng (Benny) Shen	1	1	1																					

A No. of meetings held, B No. of meetings eligible to attend, C No. of meetings attended
 BEC Building and Estates Committee, FC Finance Committee, FC ISC Finance Investment Subcommittee,
 PCC People and Culture Committee, RAC Risk and Audit Committee, NC Nominations Committee, HAC Honorary Awards Committee

(^) No longer a Fellow of Senate as at 1 December 2022
 (*) Declared conflict of interest and did not attend the circulation meeting 04/22 of the Finance Committee.

Strategy and operations

The University shifted back to the 'old normal' in 2022, as previous COVID restrictions eased. As always, the health, safety and wellbeing of our student and staff community remained a top priority. However, an undoubted highpoint of the year was the launch of the 2032 strategy. This 10-year vision articulates the University's aspirations for transforming our teaching and research and elevating the institution to a position among the world's truly great universities. Success relies on providing our staff and students with an environment that inspires them to do their best work and excel.

A NSW Government announcement on 17 February 2022 about changes to COVID restrictions paved the way for the University to complete its planned large-scale return to in-person classes in Semester 1, after nearly two years of remote learning. Staff and students were encouraged to return to campus, while still ensuring they conduct all activities in a COVID-safe manner and with an assurance that flexible working options were available for all staff, including those whose roles required them to work on campus. The return of the three-day Welcome Week festival in February marked the recommencement of in-person activities for Semester 1 on a substantial scale. The festival was attended by an estimated 45,000 students and drew extremely positive student feedback – the University of Sydney Union won the Student Experience Network Award for Best Orientation Experience. By early April 2022, 71 percent of enrolled students were on campus, compared to an equivalent total of less than half for the 2021 calendar year.

However, the challenges of the pandemic remained prominent, with large numbers of international students still unable to travel to Sydney from their home countries and many University staff and family members falling sick with either the virus or the winter flu throughout the year. In addition, the University was compelled to address issues beyond Australia's borders – crises in Ukraine and Iran prompted urgent support to onshore and offshore staff and students. At home, floods in March caused chaos for staff and students on our northern NSW campus at Lismore (see page 15).

Despite the lingering challenges of COVID and other issues, the University was able to successfully continue its core teaching and research work, thanks largely to the hard work and diligence of the staff community. Day-to-day operations were constantly guided by public health advice from Australia's Chief Medical Officer, our own academic experts, NSW Health and others, as they had been throughout the pandemic.

In the months leading up to Semester 2, the University worked towards increasing on-campus activities safely, while recognising the need to remain flexible and adaptable to a range of student and staff requirements. In May the University announced plans to continue with a hybrid model for Semester 2, where most students would return to campus for a component of most of their courses. Remote options remained available where possible for those who needed them, including offshore students who were still unable to return to Australia. By early September 2022, the University had 81 percent of enrolled students on campus, a 10 percent rise on the equivalent total for April 2022.

The University provided refreshed welcome activities for the start of Semester 2 – a wide range of face-to-face, online and hyflex (combined) events so that all students could join in the festivities. Students benefited from enhanced classroom-based equipment and technology to support the hyflex mode of teaching and learning and uninterrupted teaching and learning.

The decision by the Tertiary Education Quality and Standards Agency (TEQSA) – first announced in October – that all universities must resume in-person course delivery in Semester 2, 2023 provided clarity and certainty about our learning and teaching arrangements for the upcoming year. The University was expecting a steady stream of international students into Sydney for the start of Semester 1, 2023 and for a substantial drop in the number of students undertaking remote learning in the early months of the new year.

While there were many reasons for optimism by the end of 2022, there is no doubt that ongoing remote learning and teaching – and the other challenges that COVID has presented – had a negative impact over the previous two years, including taking a heavy emotional toll on both students and staff. In response, the University stepped up engagement on mental health issues by providing additional resources. From 31 May 2022, all international students were provided access to Sonder's 24/7 safety and wellbeing app. Sonder is a smartphone app designed to provide 24/7 on-demand access to wellbeing and safety professionals and resources, at the touch of a button. By December 2022, more than 11 percent of eligible students had activated their Sonder accounts.

In Semester 2 the University rolled out Innowell across the staff and student body, a tool developed by leading researchers (including colleagues at the Brain and Mind Centre) to help people self-manage their mental health and wellbeing, and launched a new student life, wellbeing and support hub on its website to bring together everything students need to know about student services, resources and events to support them while they study: sydney.edu.au/students/support.html

The University will continue to develop more support that protects the safety and wellbeing of the staff and student community (for more detail see pages 40 and 41).

Launch of 10-year strategy

In August 2022, the University launched an ambitious, 10-year strategy that builds on our history as Australia's first university and sets out our aspirations for what we want to be known for over the next decade as we look to our future as one of the world's great universities.

More than 6500 staff, students, alumni and external partners contributed to the development of these aspirations, which fall into two groups. The first group sets aspirations for excellence across our education and research and for greater diversity among our staff and students.

- Our student-focused education is transformational.
- Our community thrives through diversity.
- Our research is excellent, tackles the greatest challenges and contributes to the common good.

The second group sets an aspiration for the University to be "A better place to work, and a place that works better". This is a critical foundation for the first group of aspirations that is underpinned by strategies for how we work in partnership; how we improve our policies, processes and systems; how we build a culture of high trust and high accountability; and how we support our people to succeed whether they are on campus in Sydney, at one of our sites across New South Wales or working or studying online.

These aspirations all align to our most important wayfinder for the next decade: our strategic vision for 2032:

Building on the First Nations knowledge of these lands, we are Australia's first university, Sydney's university and a great global university.

Implementation of *Sydney in 2032: The University of Sydney Strategy* begins with the 2023–25 implementation roadmap. In December 2022, the University Senate approved the budget that will enable this roadmap, which prioritises critical foundational activity to ensure the strategy is set up for long-term success as well as initiatives to deliver visible early impact.

Early commitments announced at the launch of the strategy include more than doubling scholarship support for under-represented domestic students, investing nearly half a billion dollars in a world-leading biomedical precinct, and continuing to build our presence in Western Sydney.

- **Scholarships:** We are changing the way we support domestic students from low socio-economic backgrounds and disadvantaged schools, providing holistic support to ensure university life, not just academic study, is a possibility for them. The introduction of the MySydney Entry and Scholarship Scheme has had an immediate impact: the number of places offered to school leavers from low socio-economic areas in December 2022 for Semester 1 2023 increased by 18.5 percent. The scholarship offers every eligible student admission to an undergraduate degree based on an adjusted ATAR, plus an \$8500 per annum scholarship for the duration of their degree.
- **Sydney Biomedical Accelerator (SBA):** In August 2022, the University announced a commitment of \$478 million, our largest-ever capital investment, to build a nation-leading Sydney Biomedical Accelerator (SBA) precinct in partnership with the Sydney Local Health District and the NSW Government. In December, the SBA was named Partnership of the Year at the Sydney Local Health District's 2022 Innovation and Excellence Awards. The Government's involvement, including its own commitment of \$143.3 million to the project, is critical to realising the vision for the SBA to fast-track research and patient care in New South Wales. The SBA will tackle some of our most complex health challenges – including cancer and neurodegenerative diseases – and position Sydney as a global leader in biomedical research. Other progress on the SBA in 2022 included the development of an academic strategy, first-stage industry engagement and commencement of early site works. The SBA will be part of the NSW Government's broader 'Tech Central' precinct, where the University continued to build its presence in 2022, including working with UTS to amplify the strength of our respective research and teaching. In May the NSW Government gave the precinct

additional impetus, launching an \$8 million fund to help drive research and commercialisation activity.

- **Western Sydney:** Our 2032 strategy recommit the University to build our presence in Western Sydney, with an early focus on providing new opportunities for skills development as we plan to build a greater presence in this vibrant part of our city. We continued to work with the NSW Government on long-term planning for an increased presence in Parramatta and Westmead; in 2022 this included a new \$10 million investment towards a simulation ward using virtual reality (VR) and artificial intelligence in the Westmead Innovation Centre to train the next generation of Australia’s health workers and bring vital new skills into Western Sydney. Through our membership of the Westmead Alliance, which in 2022 met for the first time since the onset of the COVID-19 pandemic, we continued to actively engage in the future planning for Westmead. We also increased our engagement with the southwestern Sydney community, commencing the development of a new suite of microcredentials under the Western Parkland City Authority’s innovative new education and training model. We have also undertaken preliminary planning works for the development of our Camden Campus into an agritech precinct to ensure it continues to provide sustainable research and education outcomes in agriculture and veterinary sciences in this critical growth area of the city close to the new airport.

Indigenous Strategy

One Sydney, Many People Strategy 2021-2024

One Sydney, Many People charts the University’s commitment to understanding its place on lands that have been a place of knowledge exchange for tens of thousands of years. We work at ensuring all students and staff appreciate these histories in all endeavours. We strengthen collaboration with Aboriginal and Torres Strait Islander students, staff and the communities we serve. We embrace ways of doing and thinking that respect Indigenous knowledges and engaging in culturally appropriate ways. Our commitment to building on the First Nations knowledge of these lands is the basis of the University’s new 2032 Strategy. Its impacts are witnessed across student entry and completions, staff success and sense of belonging and community engagement.

Student outreach, entry and completions

The University offers multiple outreach and transition programs to improve accessibility to tertiary education for Aboriginal and Torres Strait Islander students.

- The *Gadalung* program caters to students in years 10, 11 and 12, encouraging participation and building aspirations for higher education. More than 180 students attended Gadalung events throughout the year.
- The *Tahgara* program supports Year 12 students to prepare for final examinations and develops an affinity with University support structures, peers and academic staff – 48 students participated in the program in 2022.
- The *Gadigal* early offers program provides students with an early, conditional offer to study with lower ATAR requirements and expanded support services. The offers for 2022 increased by 34 percent on those issued in 2021.
- The Extended Bachelors Program, launched in 2022, creates an enabling pathway into the University for students who have experienced significantly disrupted educational histories. Five students have enrolled and commenced study with the University through this program.

The success of these programs has coincided with year-on-year increases in Aboriginal and Torres Strait Islander student enrolments, up from 360 in 2019 to 473 in 2022 (as of 31 March). Completion rates are also increasing, up from 55 in 2019 to 123 in 2022.

Central to the University’s approach to student support and success is the commitment to cultural competence. Through this agenda, the National Centre for Cultural Competence (NCCC) delivers targeted programs to staff and students University wide. Its expansive education program includes workshops, online education programs, research, publications, and the Cultural Competence Leadership Program (CCLP). More than 1800 University staff, students and external participants took part in NCCC activities in 2022.

Staff success

In 2022 the University launched its Aboriginal and Torres Strait Islander Employment Plan, which commits the University to staff parity by 2030. Each area of the University is required to increase the representation of Aboriginal and Torres Strait Islander people, with support provided through a range of enabling services. A key priority is to ensure our staff are empowered to grow and have clear pathways for promotion or to broaden their skills. Over the life of the Employment Plan targeted actions are being taken to ensure Aboriginal and Torres Strait Islander people have career pathways from entry to senior levels, with visible opportunities for career development and progression.

Social impact

Indigenous-owned businesses are the powerhouses of impact, generating independence, pride, resilience and financial stability for Aboriginal and Torres Strait Islander people. These owners and employees are actively creating positive futures for themselves, their families and their communities, as well as supporting the nation in shaping our unique and distinctive character.

The University's first-ever Indigenous Procurement Strategy was launched in 2022. It sets out the University's approach to supporting Indigenous-owned businesses through developing measurable procurement practices. It describes the steps we will take to review and provide opportunities to increase our procurement spending with Indigenous suppliers. Specifically, it is intended to facilitate measurable increases in Indigenous-owned business participation and procurement opportunities across the University.

Sustainability Strategy

2022 saw the Sustainability Strategy team complete its second full year of implementation, bolstered by the endorsement of a \$30.6 million multi-year business case. Transitioning from the strategy's early implementation phase, the team expanded with recruitment of a Director, Senior Program Manager, and an Engagement Specialist, and transitioned to the Office of the Provost and Deputy Vice-Chancellor. The University was also recognised as a leader in sustainability, receiving equal 1st place nationally and equal 5th place globally in the QS Sustainability Rankings.

Delivery of the Strategy continued across all target areas to embed sustainability across our research, education and operations while focusing on the foundational strategy pillar of Caring for Country. Some highlights from the year included:

- On 1 July 2022, the University signed a five-year contract with Red Energy, backed by Snowy Hydro, to source 100 percent of its electricity from renewable sources. Operations across all campuses, University-run student accommodation, the University of Sydney Union and Sydney Uni Sport and Fitness are covered by the contract. The positive impact will be the equivalent of removing 31,200 cars. This target was reached three years ahead of schedule.
- Completion of the Hydrawise project, which saw 34 Hydrawise stations installed across the Camperdown and Darlington campuses, saving more than 21 million litres of potable water.

- Launched our biodigester, called Chester, on the Camperdown Campus to process our food and organic waste on site. The end product – nutrient-rich compost – is now used to nourish our gardens in a circular economy system.
- Introduced the Green Caffein reusable cup program across the Camperdown/Darlington Campus and since expanded it to Camden and the Conservatorium of Music campuses. To date our community has saved 3372 single-use cups from landfill, the equivalent of 34 wheelie bins worth of cups.
- Launched and awarded a \$2 million funding scheme to support research projects tackling sustainability and the UN's Sustainable Development Goals.
- Partnered with the Student Life team to launch a Sustainability Action Grants stream that provides seed funding to current students for projects that embed and enable sustainability across our campuses.
- Released a Biodiversity Management Plan, which outlines seven principles to support resilience in our environment and improve ecosystems.
- Awarded the 'Creating Impact' award in the Green Gown Awards Australasia for Nguragaingun, Ngara, Pemulian: our Curriculum Garden and Biodiversity Management Plan. The plan outlines seven principles to support resilience in our environment and improve ecosystems.

For more information on the work of the Sustainability Strategy, please visit sydney.edu.au/sustainability

Culture Strategy

In late 2022 the Culture Strategy team completed three years of activities to help create a better environment for staff, which focused on giving voice to the University's values, empowering staff, and sharpening the University community's understanding of how it serves the public good. Their key activities included:

- University-wide Culture Forums, Culture Chat video series and Leadership for Good professional development and event series. In 2022 their 13 videos received 2739 views, bringing the total over three years to 53 videos and 14,414 views
- collaboration with various portfolios, schools and staff networks on leadership and culture initiatives
- assistance with a review of the University's Code of Conduct for staff and affiliates.
- supporting institutional efforts under the Disability Inclusion Action Plan

- establishing with the Business School the Dr John Yu Fellowship, which is widely regarded as Australia’s leading executive education program in cultural diversity and leadership.

In November 2022 the University’s peer-nominated Vice-Chancellor’s Awards for Excellence – run by the Culture Strategy team – recognised 123 staff and affiliates for their outstanding contributions to teaching, research and service, leadership, mentorship, and industry and community engagement, across 15 award categories.

Doctor of Medicine degree in Dubbo

In January the University of Sydney Medical School welcomed the first cohort of 24 students studying the new full four-year Doctor of Medicine (MD) beginning-to-end program in Dubbo. Students in the Dubbo MD stream will study the same University of Sydney MD, with the added benefits of living and studying in a regional location while gaining hands-on experience in rural and remote medical practice. All the students in the first cohort have lived in rural Australia, including multiple students who grew up in the Central West and Western NSW regions.

Another key milestone was the completion and official opening – in November 2022 – of the redevelopment of the School of Rural Health in Dubbo into a fully resourced graduate clinical school of medicine. The facilities include a new teaching building complete with the latest in medical education technology. More than \$10 million in Australian Government, philanthropic and University funding enabled the redevelopment.

The new state-of-the-art facilities support the delivery of the MD program and include two dedicated learning studios for team-based collaborative work, an anatomy teaching lab, six-suite simulation training centre and common study space. They were developed in collaboration with the Western NSW Local Health District, hospitals and doctors of the region, and the Dubbo community, including the Wiradjuri community.

Response to natural disasters – floods in Lismore

Natural disasters wreaked havoc for University staff and students during 2022, notably in March when the worst floods on record in the Northern Rivers region devastated the local community and affected staff at the University’s Lismore campus. The University has more than 70 staff and 16 medical

students based at the campus, with more than 3000 allied health students undertaking placements from several universities.

The Northern Rivers Clinical School and the University Centre for Rural Health are adjacent to the Lismore Base Hospital, and while the clinical buildings fortunately escaped being submerged by the flood waters, all University staff and students in the area were impacted by loss of power, access to fresh food and water, and social isolation. Some University staff lost their homes, while others lost animals and livestock, and sustained serious damage to their properties.

In these circumstances the University’s first priority is always to ensure the safety and wellbeing of our community in the area – including temporary accommodation, counselling and special leave provisions. While the University’s office area was impacted, it was not flooded, and power was restored within days.

Curriculum and student experience

EDUCATION PRIORITIES

Student experience

After two years of COVID restrictions, a highlight throughout 2022 was the opportunity for face-to-face engagement with our students. As already reported, our Semester 1 Welcome Week festival was a resounding success. As part of our suite of welcome activities, we provided 58 grants for students, to design and deliver their own activities to support transition, build social connections, and enhance campus life experiences throughout the year.

We established a Wellbeing Hub to support the early detection and response to wellbeing issues for our students. We also launched proactive and targeted programs to reach cohorts at risk early on in their academic progression. We released new student support resources; delivered a new student leadership training program covering topics such as counselling, first aid and responding to sexual assault/harassment; and piloted ‘pop-up’ advising services at various key areas around the University campus. We also continued our pastoral care and transition support for international student arrivals, including airport greeting, isolation accommodation, wellbeing checks, and assistance with the transition to life in Sydney.

Postgraduate education and micro-credentialling

In February 2022, the University announced its partnership with 2U to offer postgraduate degree programs online. Teams from across the University worked together to create our first two fully online degrees. The Master of Data Science (Online) includes hands-on projects that inspire collaboration and innovative thinking, offering specialisations in machine learning and data engineering. The Master of Project and Program Management (Online) will equip students with the fundamentals of project management as well as advanced program and portfolio management skills. Enrolment for both will commence in February 2023.

Supporting education

Throughout 2022, we have focused on ensuring that we are adapting our teaching approaches to meet our students' changing needs. This includes leveraging new technologies, piloting new ideas and providing forums for educators to share best practice.

Our Sydney Teaching Symposium focused on ways we can support the COVID generation of students, including how we can reimagine assessment and feedback practices and how we can develop relationship-rich, student-to-student and student-to-teacher experiences. We created new modules for our Modular Professional Learning Framework, which featured in the 2022 Educause Horizon Report as an exemplar of professional learning for educators.

We continued to add content to our teaching resources platforms, including information on innovative tools and guidelines for teaching, learning and assessment, as well as interviews and stories showcasing educational success. We also continued to drive educational excellence through other initiatives, such as the University's Peer Review for Teaching Program, which fosters collegial and constructive feedback conversations around dimensions of teaching practice, and the new excellence evidence menu. In November, we launched the new University handbook comprising more than 1800 webpages, which are:

- modern and consistent with the University's main website
- easier to search and navigate
- optimised for mobile viewing and accessibility
- better integrated with other essential information across the University website.

Industry and Community Project Units (ICPUs)

The Industry and Community Project Units (ICPUs) engage groups of interdisciplinary undergraduate students with leading Australian and international organisations to work on complex problems.

In the fifth year of this program, we saw 2272 students (37 percent international and 63 percent domestic) at the 3000 and 4000 level from across the University complete 43 projects with 38 different industry partners.

This program connects with the University's wider industry engagement strategy, working across industry to tackle some of the biggest problems facing society. In 2022 our students worked on projects such as democratising healthcare, the future of higher education and reimagining social housing.

Through the support of staff and alumni connections, we have built meaningful partnerships and in 2022 we welcomed nine new partners to the program, including Powerhouse Museum, Optus, NewsCorp, Veolia and NIB. We also continued to grow our strong relationships with our international partners with three international online projects with partners based in India, UK and Italy.

Global mobility

As borders reopened and international travel resumed at the end of 2021, the University was once again able to support students to travel overseas to complete global experiences, from mid-2022.

We also welcomed back 1200 study abroad and exchange students in 2022 from more than 120 partner institutions around the world. Across the year the University continued to support virtual global experiences and in-country experiences for our international students who were unable to return to Australia.

The University remains committed to reaching its goal for 50 percent of students to have a global mobility experience as part of their award course, with an enhanced focus on increasing participation of students from underrepresented cohorts.

Note: Pre-pandemic, the University had the largest outbound student mobility program in Australia (36%) based on the AUIDF Learning Abroad Benchmarking 2019 (in 2020).

STUDENT ENROLMENTS*

Undergraduate enrolments by attendance and gender

Domestic/ international	Attendance type	Gender	Enrolments (UG)
Domestic	Full time	Women	11,761
		Others	49
		Men	8,713
	Invalid	Women	0
		Others	0
		Men	0
	Part time	Women	2,426
		Others	10
		Men	2,108
Domestic total			25,067
International	Full time	Women	7,163
		Others	2
		Men	6,093
	Invalid	Women	0
		Others	0
		Men	0
	Part time	Women	775
		Others	1
		Men	406
International total			14,440
Grand total			39,507

Postgraduate enrolments by attendance and gender

Domestic/ international	Attendance type	Gender	Enrolments (PG)
Domestic	Full time	Women	3,862
		Others	14
		Men	2,758
	Invalid	Women	2
		Others	0
		Men	0
	Part time	Women	4,210
		Others	16
		Men	2,923
Domestic total			13,785
International	Full time	Women	8,272
		Others	3
		Men	5,741
	Invalid	Women	5
		Others	0
		Men	4
	Part time	Women	1,217
		Others	0
		Men	666
International total			15,908
Grand total			29,693

Undergraduate enrolments by course level

Domestic/ international	Course type	Enrolments (UG)
Domestic	Bachelor (Graduate Entry)	578
	Bachelor (Honours)	3,186
	Bachelor (Pass)	21,038
	Cross-Institutional (Undergraduate)	32
	Diploma (Undergraduate/ Associate)	160
	Non-Award (Undergraduate)	73
	Domestic total	
International	Bachelor (Graduate Entry)	136
	Bachelor (Honours)	1,343
	Bachelor (Pass)	12,759
	Cross-Institutional (Undergraduate)	3
	Diploma (Undergraduate/ Associate)	2
	Non-Award (Undergraduate)	197
International total		14,440
Grand total		39,507

Postgraduate enrolments by course level

Domestic/ international	Course type	Enrolments (PG)	
Domestic	Cross-Institutional (Postgraduate)	8	
	Doctorate (Coursework)	43	
	Doctorate (Research)	2,672	
	Graduate Certificate	607	
	Graduate Diploma	580	
	Higher Doctorate	1	
	Master (Coursework)	9,284	
	Master (Research)	574	
	Non-Award (Postgraduate)	16	
	Domestic total		13,785
	International	Doctorate (Research)	946
Graduate Certificate		236	
Graduate Diploma		225	
Master (Coursework)		14,289	
Master (Research)		156	
Non-Award (Postgraduate)	56		
International total		15,908	
Grand total		29,693	

Enrolments by faculty of course registration and course level

Domestic/international	Faculty of registration	Enrolments		Enrolments
		Postgraduate	Undergraduate	
Domestic	University of Sydney Business School	1,095	2,445	3,540
	Faculty of Arts and Social Sciences	2,121	6,729	8,850
	Faculty of Engineering	707	3,582	4,289
	Faculty of Medicine and Health	6,563	3,620	10,183
	Faculty of Science	1,378	5,879	7,257
	Sydney Conservatorium of Music	164	997	1,161
	University of Sydney Law School	1,175	578	1,753
	University of Sydney School of Architecture, Design and Planning	582	1,013	1,595
	University Programs**		224	224
Domestic total		13,785	25,067	38,852
International	University of Sydney Business School	7,213	2,262	9,475
	Faculty of Arts and Social Sciences	2,853	4,421	7,274
	Faculty of Engineering	2,876	2,276	5,152
	Faculty of Medicine and Health	972	948	1,920
	Faculty of Science	504	3,408	3,912
	Sydney Conservatorium of Music	29	44	73
	University of Sydney Law School	541	136	677
	University of Sydney School of Architecture, Design and Planning	865	715	1,580
	University Programs**	55	230	285
International total		15,908	14,440	30,348
Grand total		29,693	39,507	69,200

STUDENT ENROLMENTS BY DIVERSITY GROUPS 2020, 2021 AND 2022

Indigenous and non-Indigenous enrolments				Students with Non-English Speaking Backgrounds (NESB)			
Indigenous indicator	2020	2021	2022	Non English speaking	2020	2021	2022
Indigenous	381	443	473	ESB	37,797	43,027	40,782
Non Indigenous	60,487	74,419	68,727	NESB	23,071	31,835	28,418
Grand total	60,868	74,862	69,200	Grand total	60,868	74,862	69,200

Students with disabilities (enrolments)

Domestic/international	Disability	Disability support services interest	2020	2021	2022
Domestic	Student indicated disability	No support	1,902	2,249	1,961
		Support	1,370	1,884	2,421
	Student indicated no disability	No disability	34,192	37,792	34,470
Domestic total			37,464	41,925	38,852
International	Student indicated disability	No disability	0	0	0
		No support	412	384	435
		Support	229	408	493
	Student indicated no disability	No disability	22,763	32,145	29,420
International total			23,404	32,937	30,348
Grand total			60,868	74,862	69,200

*All statistics in these tables are as at 31 March 2022

**University Programs include enrolments in exchange and study programs, other non-award courses and enabling courses

Research performance

Excellent research that tackles the world's greatest challenges and contributes to public good is a key pillar of our 2032 Strategy. Our new Deputy Vice-Chancellor (Research) began in July and introduced a new academic leadership structure in the Research Portfolio, establishing two new Pro-Vice-Chancellor positions to support researcher training and research infrastructure. These positions, along with the Pro-Vice-Chancellor (Research) role, were successfully recruited. We developed nine new research initiatives for the 2032 Strategy that will roll out in 2023. Our research achievements for the year were significant.

Highly cited research

Twenty-four University of Sydney academics were recognised as Highly Cited Researchers by Clarivate Analytics. These researchers are among the most cited in their scientific field – the top one percent worldwide.

Research grants and fellowships

Sydney research received significant funding from the Australian Research Council (ARC), National Health and Medical Research Council (NHMRC) and the Department of Health's Medical Research Future Fund (MRFF) in 2022. We also initiated a significant number of new research contracts and received substantial philanthropic support for research.

The ARC awarded a total of \$41.3 million for 83 grants and fellowships, including:

- 7 Future Fellowships – \$6.5 million
- 1 Australian Laureate Fellowship – \$2.5 million
- 22 Discovery Early Career Researcher Awards (DECRA), the highest number of awards and funding nationally – \$9.5 million
- 34 Discovery Projects – \$15.5 million
- 9 Linkage Projects – \$ 4.9 million
- 4 Linkage Infrastructure, Equipment and Facilities grants – \$2.7 million

The NHMRC awarded more than \$116.5 million for 87 grants, including:

- 31 Investigator Grants – \$50 million
- 22 Ideas Grants – \$24.2 million
- 4 NHMRC Centres of Research Excellence (Towards Individualised Care for Interstitial Lung Disease; Accelerating Stroke Trial Innovation and Translation; Cervical Cancer Control; Directing Research in Very Early Cerebral Palsy) – \$10 million

- 2 Partnership Projects – \$2.6 million
- 2 Synergy Grants – \$10 million
- 1 International Collaborations (NHMRC-CIHR Healthy Cities Implementation Science Team Grant Scheme) grant – \$1.2 million

Between January and December 2022, the University of Sydney responded to 37 individual MRFF grant opportunities.

MRFF funded research includes:

- \$13.1 million across 4 projects looking at newborn genomics screening, improved diagnostics for genetic disorders and the ethics and governance of clinical and genomic data.
- \$5.3 million across 3 projects investigating chronic musculoskeletal health
- \$6.3 million across 3 projects researching maternal health and healthy lifestyles, including preventing adolescent e-cigarette use.

Equity Prizes

Equity Prizes provide 12 months of additional support to University of Sydney academics who have promising research trajectories – in any discipline – enabling them to take the next step in their careers. Recipients benefit from an individually tailored career development program and mentoring, as well as more financial support to focus on developing their research. In the 2022 round, 15 academics with disabilities or significant carers' responsibilities and women aspiring to academic leadership roles were competitively selected to receive this award.

SOAR Prizes

In the 2022 Sydney Research Accelerator (SOAR) Prize round, 20 future University of Sydney research leaders were competitively selected to participate in the two-year SOAR scheme. Recipients of the SOAR Prize benefit from a bespoke career-building program focused on increasing the scale and impact of their research. Awardees also receive \$50,000 per year to contribute to their research, translation and career development plans.

Global and research engagement

As one of Australia's leading research-intensive universities, our success is closely linked to our capacity to produce work of real and lasting impact. High-quality research underpins our ambition to find solutions to the world's social and environmental challenges and be recognised as one of the world's outstanding universities.

Research with impact

Our pan-university, multidisciplinary centres deliver positive impacts for society, with an emphasis in 2022 on improving health outcomes for our minds and bodies and the sustainability of our planet, communities and individuals. Both themes highlighted and incorporated Indigenous knowledge. The centres' accomplishments included the following.

Brain and Mind Centre

- Captured \$7.6 million in MRFF funding for research into healthy minds and neuroscience and \$10 million in NHMRC Synergy grants to study mood disorder treatments and the impact of sleep on brain ageing; launched the Houghton Clinic to help families and individuals with autism and other neurodevelopmental conditions.

Charles Perkins Centre

- Attracted more than \$20 million in philanthropic donations to support early-career researchers and healthy ageing; enabling Indigenous health and medical research leaders to launch 'Our Collaborations in Health Research' via the Our Voice – Our Research – Our Future conference.

Sydney Environment Institute (SEI)

- Partnering with local councils, the City of Sydney, the NSW and federal governments, SEI's work is supporting communities in Shoalhaven NSW in caring for domestic and wild animals in the face of future catastrophic fires and other climate events with an \$800,000 Federal Bushfire Recovery Grant and strengthening community resilience and preparation for ongoing climate disasters across two projects funded by the NSW Disaster Risk Reduction Fund totalling \$900,000.

Sydney Policy Lab

- Delivered a webinar with Health Justice Australia and The Front Project on the styles of leadership and collaboration required for systemic social change; hosted a Policy Roundtable on practical policy reforms to address the exploitation of migrant workers with the Minister for Immigration, Citizenship and Multicultural Affairs; presented sessions on the role of community-led policy in climate transition and carbon removals and negative emissions at the 2022 Australian Net Zero and Circular Economy Conference.

Sydney Nano

- Launched Dewpoint Innovations, a start-up company driving sustainability by cooling buildings and collecting atmospheric water using novel paint coatings and safeguards against drought by creating delocalised, affordable sources of water.
- Sydney Nano's 2022 Grand Challenge seed funding supports projects that lay the groundwork for a new generation of buildings self-sufficient in energy, water and able to produce on-site food; new nanomaterials and chemical processes that capture and "bottle" sunlight in the form of energy-rich renewable fuels; and nanoscale technologies to detect airborne pathogens and upgrade public biosecurity

Sydney Southeast Asia Centre

- More than 3700 attendees at 85 public events, early and mid-career researcher professional development programs and HDR education programs; 120,000+ downloads of 25 SSEAC Stories Podcast episodes published in 2022; an ARC Discovery Early Career Researcher Award for research exploring the politics of tobacco policy in Indonesia and a *Nature* paper from a team of Indonesian and Australian researchers that uncovered the oldest case of surgical amputation to date in Borneo.

Ngarangun: 'we learn, think and listen together'

Ngarangun, our Indigenous Research Strategy, underpins our Indigenous research as we work with Indigenous communities in Australia and around the world to identify the greatest challenges they face into the future.

The Sydney Indigenous Research Hub continues to coordinate and support much of the Indigenous research at the University, providing mentoring and development for academics and Higher Degree Research students, including through weekly meetings of our vibrant Sydney Indigenous Research Network, which brings staff interested in Indigenous research together to share research ideas, broaden networks and develop skills.

In 2022, we provided strategic PhD scholarships to Indigenous students in the humanities and social sciences, sciences and medicine and health as part of our commitment to supporting Indigenous researchers to be the best they can in their chosen field or discipline.

World-class research facilities

The University's Core Research Facilities grew their technical capabilities and refined business practices in 2022. Our eight facilities – the Sydney Manufacturing Hub, Sydney Analytical, Sydney Mass Spectrometry, Sydney Cytometry, Sydney Informatics Hub, Sydney Microscopy and Microanalysis, Sydney Imaging and the Research and Prototype Foundry – inducted 620 new users in 2022, including 21 new commercial entities. Their teams assisted 1142 researchers to conduct 1336 projects on 439 instruments, a total of 243,710 hours of usage to facilitate research. These facilities were leveraged by researchers to win significant national competitive grant funding, including:

- \$1.985 million from NHMRC Ideas and US Department of Defence grants to investigate prostate cancer genomes, and a paper published in *Nature* in August 2022
- a \$2.6 million grant from the Grains Researcher Development Corporation on mapping soil variability using machine learning.

The University and the Northern Sydney Local Health District signed a collaboration agreement to jointly deliver Australia's first Total Body Positron Emission Tomography (TB-PET) scanner.

We also initiated a whole-of-university research space steering committee to collectively optimise use of our space and infrastructure to support excellent and impactful research.

Sydney Biomedical Accelerator

2022 saw the University make a landmark \$478 million capital investment to build a nation-leading biomedical precinct to fast track research and patient care in New South Wales, in partnership with the Sydney Local Health District. The Sydney Biomedical Accelerator will create a first-in-Australia, 36,000m² health, education, and research precinct co-located at Royal Prince Alfred Hospital and our Camperdown campuses, to tackle some of our most complex health challenges, including cancer and neurodegenerative diseases.

Global and local partnerships

Our global engagement team is now part of the Office of Global and Research Engagement, alongside our flagship multidisciplinary and research centres and our local research partners. This is an exciting development that has enabled us to start building a research ecosystem to support our centres and researchers, and to strengthen our research impact, both locally and globally.

To maximise our research impact, we collaborate selectively with the world's best universities and researchers. Our partnership strategy in the past six years has seen us build close working relationships with 20 high-ranking global partners and given us membership of key international networks.

Initiatives developed in the past year include:

- Global Development Awards, to help early- and mid-career researchers re-engage with our priority partners after the disruption caused by COVID-19
- The International SDG Collaboration Program, part of a \$2 million investment to develop multidisciplinary research that addresses the UN Sustainable Development Goals
- New partnerships with Cornell University and IIT Madras
- Membership of the Universitas 21 network
- Researcher mobility schemes with Cornell and Toronto
- Joint PhDs under development with Glasgow and Sorbonne

We resumed our Partnership Collaboration Awards (PCAs) in 2022, supporting innovative multidisciplinary research with our strategic partners at Glasgow, Toronto, Edinburgh, UCL, Cornell and Sorbonne, among others. The Field-Weighted Citation Index of our PCA-funded projects is significantly higher at 2.31 than the University average of 1.83 (SciVal figures, 2019-2022).

Foreign interference

The University's Foreign Interference Coordination Framework and Work Program for 2022 implemented the new Guidelines to Counter Foreign Interference in the Australian University Sector recommendations released in November 2021. The 2022 Work Program was approved by the University Executive in July. We continued to provide a University-wide training program in 2022, with almost 500 staff involved in research and teaching taking part in information sessions responsible international engagement. To date the University has notified 497 arrangements to the Minister under Australia's *Foreign Relations (State and Territory Arrangements) Act 2020*, including 159 in 2022.

Scholars at Risk Fellowships

In 2021, the University joined the Scholars at Risk (SAR) Network, an international group of higher education institutions working together to provide sanctuary to university academics and other intellectuals who face dangerous conditions in their home country and defend everyone's right to think, question, and share ideas freely and safely. The University sponsored its

first Scholars at Risk Fellowships in 2022, enabling our faculties to host a cohort of Ukrainian scholars to continue their work and studies in Sydney. The University welcomed the initial cohort of scholars to our main campus in September. The University is considering how it can widen its support of scholars around the world who are affected by emerging crises, through an ongoing program of this kind.

Sydney Knowledge Hub

Our on-campus research commercialisation and industry engagement hub is in its third year of operation. In 2022 it led a collaborative research entrepreneur experience project focused on solutions that help innovations progress more quickly from research to impact in our lives.

The Hub continues to provide the connections and know-how for innovative startups and university inventors to thrive. In 2022 the Hub had 149 members and 24 member organisations, with 88 percent collaborating with University researchers and 31 internship placements for students. Members were awarded \$16 million in government grants and \$1.4 million in 'early-stage venture' investments. The University derived \$5.2 million in research income from member collaborations.

Commercialisation of research

Our innovation ecosystem continued to perform well in 2022. During the year, 80 inventions were disclosed and two spinoff companies created, both of which we continue to hold equity in. The University closed 42 commercial deals, with another 42 commercial prospects in the pipeline. We competitively awarded more than \$630,000 from our Proof-of-Concept Fund to 11 research teams to accelerate commercialisation of their ideas.

Our performance in Knowledge Commercialisation Australia's Survey of Commercialisation Outcomes from Public Research (SCOPR) has been consistently in the top three in key metrics – such as number of Licences, Options and Assignments, number of new and active startups and spinouts and Records of Invention – since 2019. In the 2022 survey we ranked first amongst Australian universities (third overall) for commercial contract research revenue (from for-profit companies), and third overall for active Licences, Options and Assignments.

External engagement

Government engagement

The election of the Albanese Government in May 2022, and the appointment of Sydney-based MP Jason Clare as the new Minister for Education, reset the University's engagement with the Federal Government and its role in higher education policy and reform.

In November, in the University's Great Hall, Minister Clare delivered the inaugural Bradley Oration, in honour of the late Denise Bradley AC, who had a lasting and positive impact on the tertiary education sector, including through the Bradley Review (2008). The Minister chose the Bradley Oration to announce the terms of reference of the landmark Australian Universities Accord. The Accord is the most significant review of Australia's higher education system since the Bradley Review, with an expert panel, chaired by Professor Mary O'Kane AC, to lead its development.

The Vice-Chancellor, Professor Mark Scott AO, was appointed Chair of a national Teacher Education Expert Panel established to address Australia's teaching shortage by reviewing how Initial Teacher Education is taught at universities. The panel will report back to the Australian Government by the end of 2023 on reforms that will boost graduation rates and ensure graduating teachers are better prepared for the classroom.

The Federal Government was expected to announce an independent review of the Australian Research Council (ARC) in early 2023, with a focus on the governance framework and reporting mechanisms.

Minister Clare has spoken extensively of his determination to expand the accessibility of higher education, with a commitment to improving access for students from low socio-economic, regional and Indigenous backgrounds – an ambition that chimes with the University's deep commitment to diversity and inclusion and one of the core commitments of the *Sydney in 2032* Strategy: to more than double our scholarship support for students from underrepresented groups.

The University has continued to engage with the NSW Government, notably on key strategic projects, including: the future of landholdings at Badgerys Creek and Bringelly (around the Aerotropolis), as well as the determination to contribute to the future of the Tech Central precinct (where the University of Sydney is the oldest foundation institution) and the University's ambitions around Westmead/

Parramatta (including the Cumberland lands, where the University is in an ongoing direct deal relationship with the Government).

This aligns with another core commitment of the *Sydney in 2032* Strategy: to expand our education offerings in Western Sydney, providing new opportunities for skills development that progress our commitment to build a greater presence in this vibrant, diverse area at the heart of the city.

The State Election (25 March) and its aftermath will dominate NSW politics for the first half of 2023.

Industry engagement

2022 saw the University upgrade industry relationships from single-track engagements to true enterprise-wide relationships and foster an increase in internal sharing of best practice to develop our strengths in this area.

In partnership with business associations and chambers of commerce, we hosted events, roundtables and campus tours on subjects of critical societal importance, including clean energy, sustainability and health technology. These events forged key industry connections and future partnership opportunities for engaged research, education excellence and graduate employability.

These stakeholders responded warmly to the launch of the University's 2032 Strategy, where we announced our ambition to be a partner of choice. The sharing of this ambition has led to an increased appetite for partnerships from internal and external stakeholders, which will see us develop this work further in 2023.

Brand and research reputation

Building the University's brand, reputation and influence as Australia's leading higher education institution – both locally and globally – continues to be a priority for External Engagement. We earned remarkable rankings results in 2022 (see the table above right), with our overall reputation rank in the Times Higher Education World Reputation Rankings improving from 61-70 in 2021 to 51-60 in 2022. These global reputation rankings remain an important indicator of quality for students, industry partners and government, and sustaining our relative position will continue to be a focus of our work.

Rankings organisation	Ranking in Australia*	Global ranking*
Academic Ranking of World Universities (ARWU)	3	60
QS Graduate Employability Rankings	1	4
QS World University Rankings	3	41
QS Sustainability Rankings	1	5
Times Higher Education World University Rankings	4	54
Times Higher Education World Reputation Rankings	2	51-60
US News & World Report Best Global Universities Rankings	2	28

*These rankings are based on the latest results, at the time of publication

The launch of our 2032 Strategy represented an opportunity to engage and connect our University community and broader audiences with the long-term aspirations of the University. Throughout the year, the marketing and communications and media teams actively supported our University community's engagement with the strategy. For the strategy launch in August, which included the My Sydney scholarship and Sydney Biomedical Accelerator announcements, an external-facing campaign delivered more than one million impressions, 300,000 video views and 10,000 engagements across social media.

To extend the momentum of the 2032 strategy launch, in September we refreshed our long-established Leadership for Good campaign in market for the first time in three years. The Leadership for all of us campaign amplified the public benefit of the University with Sydney and Western Sydney audiences and was highly successful. The campaign content and promotion reached more than 500,000 people and improved our brand health measures and positive associations with Sydney and Western Sydney.

Marketing and Communications also worked with the University of Sydney Union (USU) to refresh the University's merchandise strategy to support our brand. One notable opportunity was sharing merchandise packs and personalised communications to connect with our new alumni MPs in Canberra following the federal election. A new range of merchandise and apparel, as well as an enhanced website and ordering process, will follow in 2023.

Cultural engagement

The Chau Chak Wing Museum continued to build audiences and engage with diverse communities – the total number of visitors to the museum for 2022 was approximately 75,000.

The museum was highly commended in the Museums and Galleries NSW Imagine Awards for its Kamay spears project, after being chosen as the custodian of these highly important cultural artefacts when they returned temporarily to Sydney for the first time in 252 years. The project was of immense importance to the La Perouse Aboriginal community and the museum worked with and was directed by the community in developing public and community-specific programs around the spears, including a series of lectures sharing Dharawal perspectives on this significant event 252 years ago.

Use of museum collections in teaching continued to thrive, with 15,800 students across all faculties engaged in object-based learning. Digital outreach and engagement strengthened with strong growth in website use, Facebook and Instagram reach and open rate for the Muse Extra e-newsletter (52 percent).

2022 marked a steady return to full operations for the Seymour Centre with 115 separate performance events. These included community and cultural partnership events with Sydney Festival, Sydney Fringe Festival and two inaugural festivals – the Boom! Festival of Percussion and Sydney Women's International Jazz Festival.

Tertiary student performances returned with a full season of faculty revues and the SUDS major annual production, plus 14 productions as part of the Seymour's primary/high school program, including a return of State Dance and State Drama Festivals for the first time since 2019, and Sydney Symphony Orchestra school's concerts.

Student recruitment and engagement

In 2022, we were able to return to most of our usual in-person engagements with prospective students, agents and other partners after two years of mostly virtual activities. We continue to see strong numbers for domestic and international; our focus in 2023 will be rebuilding our global mobility pipeline and regaining our previous position as the institution of choice for global experiences. While some of our international students have been able to experience campus life, we still have a significant number of students offshore and we look forward to welcoming them in 2023.

The Sydney International Student Award (SISA) program goes from strength to strength, creating a pathway to the university for international students from key diversity markets.

As reported, we have proudly launched the MySydney scheme which provides enhanced support for

domestic students from low socioeconomic status backgrounds. For the first time, we will be providing financial support for these students for the life of their degree – this is expected to have a significant impact on the diversity of the domestic cohort.

The Tahgara (Winter) and Gadalung (Summer) Programs returned in 2022 as week-long on campus residential experiences for Aboriginal and Torres Strait Islander students. These programs provide academic enrichment and a taste of university life for students from across Australia.

In 2022, 96 new or renewed international agreements were executed that cover education, student mobility and general partnerships. Excitingly, this includes new joint PhD partnerships with the University of Copenhagen and Sorbonne University, a new exchange partnership with the University of Otago, and new Study Abroad partnerships with the University of Hawai'i and O.P. Jindal Global University. We continue to attract and send the highest-quality students from across the country and the world.

Philanthropy

2022 saw many generous gifts from the University's alumni, donors and friends, spanning faculties and gift purposes that will greatly impact our teaching and research. Some gift highlights include:

- \$19 million from the estate of the late Jennie Mackenzie to support the research strategy of the Charles Perkins Centre, especially early-career researchers and the establishment of shared platforms that will encourage collaboration across disciplines
- \$5 million from the Medich Foundation, as founding donors of the Sydney Biomedical Accelerator, to establish the Medich Biobank Facility
- \$150,000 from The Neil and Norma Hill Foundation, to support early-career researchers in the field of neuroscience
- \$3.5 million from the Khyentse Foundation, which guarantees the future of Tibetan Buddhist studies at the University through teaching, research and community outreach over the next 20 years
- \$320,000 from the Sir William Tyree Foundation for undergraduate equity scholarships in the field of engineering
- \$7.9 million from Neil Smith to fund research, education and scholarship in the field of sustainable transport technology at the University of Sydney Business School

- \$500,000 from the Bowden Family to support research, awards, scholarships and fellowships in the arts, humanities and social sciences relating to 'ritual'.

Additionally, in August 2022, it was announced that funding for the Sydney Biomedical Accelerator would be boosted by \$73 million of philanthropic support, including \$20 million from the Susan and Isaac Wakil Foundation and \$26 million from the Estate of the late Marie Knispel.

Alumni and supporter engagement

In the alumni engagement space, the year was kicked off with an innovative Lunar New Year WeChat campaign for alumni based in China that reached more than 100,000 people. 2022 ended with promotions for the Christmas Beetle Citizen Science project, which recruited more than 2000 volunteers.

Throughout the year, almost 700 mentors contributed to the student experience and more than 550 alumni gave their time through advisory roles, graduation addresses, alumni profiles or guest speakers. We re-ignited alumni pride in thousands who returned to campus for special events.

Also in 2022, the University carried out its once-a-decade Alumni and Supporter Census. With more than 16,000 individuals participating in the Census, it was a key community consultation exercise that informed the 2032 Strategy, and responses will help us to better understand our community so we can be more purposeful and thoughtful in our communication and engagement.

Promotion

In 2022, once borders re-opened around the world and international travel returned the University of Sydney resumed face-to-face engagement with existing and prospective global partners and alumni, as well as fact-finding missions for important strategic initiatives.

Vice-Chancellor and President

2 – 6 May: London
U21 conference and meetings with stakeholders

3 – 11 September: India
Australia-India Leadership Dialogue and meetings with stakeholders

3 – 16 October: Canada
Times Higher Education Conference and W100 Knowledge Conference
Meetings with various stakeholders and biomedical facilities

Deputy Vice-Chancellor (Research)

2 – 4 October: Canada
University delegation to Canada, visits and meetings with stakeholders

5 – 7 October: United States
University delegation to the US, including alumni events, visits and meetings

Pro-Vice-Chancellor (Global and Research Engagement)

1 – 8 May: United Kingdom
U21 AGM and partner meetings

29 October – 4 November: Scotland
Global Sustainable Development Congress and partner meetings

Pro-Vice-Chancellor (Research – Enterprise and Engagement)

6 – 15 July: Israel
Western Sydney University delegation organised by the Israel Chamber of Commerce

Pro-Vice-Chancellor (Research)

12 – 20 November: Israel
Universities Australia delegation

Vice-President (External Engagement)

23 June – 9 July: United Kingdom
European Australian Business Chamber Mission to Europe

3 – 9 September: India
University delegation to India, including alumni events, visits and meetings, roundtable with Public Health Foundation of India, Australia India Leadership Dialogue, and the signing of an MOU with IIT Madras

6 – 12 October: United States
Times Higher Education Academic Summit at NYU
Meetings with Chinese University of Hong Kong, NYU and Sorbonne

12 – 14 October: Canada
World 100 Annual Conference in Montreal

Vice-President (Advancement)

2 – 4 October: Canada
Meetings with Ontario Centre of Innovation, MaRs Centre and Toronto Metropolitan University

5 – 13 October: United States
Stakeholder meetings and alumni events

Other issues

Freedom of speech and academic freedom attestation statement

Our Charter of Freedom of Speech and Academic Freedom (Charter) underpins our approach to fostering free inquiry and academic debate.

The Vice-Chancellor highlighted the University's deep commitment to the principles of freedom of speech and academic freedom in his commencement messages to students and staff. We amended our 2022 Student Welcome Guides to emphasise these principles, which the Vice-Chancellor also stressed in his August address to the National Press Club, launching the University's new strategic plan.

During 2022, we amended or added 81 instruments to our Policy Register, ensuring that all align with the Charter's principles. We also refined our policy processes to require that every application to create or amend a policy must consider how it will help to foster freedom of speech and academic freedom.

The University is a founding member of the Australia Section of Scholars at Risk, a global network of universities and associations working to promote academic freedom by protecting threatened scholars. During 2022, we welcomed a small number of Ukrainian scholars seeking sanctuary from the war.

Over the course of the year, 37 educators completed pilot training to equip them to support students to interact, collaborate and learn despite differences in cultural backgrounds, beliefs, ideologies and opinions. The module, developed by our educational innovation staff, includes case studies involving difficult conversations and planning for how to approach similar situations in the educators' own learning and teaching context. The participants gave the module a 100 percent satisfaction rating.

During 2022, 25 formal complaints were received that identified a concern about either Freedom of Speech or Academic Freedom. These complaints were, or are being, managed in accordance with our complaints procedures and the Resolution of Complaints Policy 2015, with the outcomes reported to the University's Senate each quarter.

In the national Higher Education Student Experience Survey (SES) for 2021, the Australian Government included questions seeking students' views about freedom of expression at their institutions. The results of the survey were released in 2022, indicating that a strong majority of students were positive about freedom of expression at their institutions. Our student survey results were broadly consistent with the national data, with 86 percent of our undergraduate student respondents rating overall freedom of expression positively.

Educational integrity

An alarming growth in academic integrity issues and an increased risk profile was identified during 2022. A record 6632 alleged breaches were recorded, a 27 percent growth on the previous year and a 94 percent increase over a five-year period (on previous trends approximately 20 percent of these cases are likely to result in no impropriety). The growth is largely due to a large surge in exam breaches as a result of the move to online exams and improved detection, with 2588 alleged exam breaches recorded, a 211 percent increase on the previous year. Contract cheating allegations grew substantially from 2019–2021 (219 cases to 445). At the time of publication the total number of alleged contract cheating cases for 2022 was 444 (a 0.2 percent decrease on 2021). The number of academic integrity matters referred to the Registrar for serious academic misconduct also increased 275 percent, with 345 students referred in 2022, including many exam breaches that involved contract cheating or collusion, which were referred directly. The growth has caused concern, with an increase in whistleblowing and reports of illegitimate activity.

In response, the Deputy Vice-Chancellor (Education) convened an Integrity Summit, leading to a revised assessment framework, which will see the University return to face-to-face examinations in 2023. The Office of Educational Integrity (OEI) has conducted a refreshed student awareness campaign and thorough policy review (which, among other things, responds to the emergence of artificial intelligence), redesigned the reporting framework, developed improved detection (including of file-sharing site use) and increased resources. The University has committed substantial additional resources in 2023 to assist faculties and to review the investigation process, to emphasise its educational role.

Posters and digital content have been put in place across our campuses and online channels to alert students to the risks of cheating, part of a refreshed campaign that will see University staff partner with students to develop a targeted academic campaign in 2023.

New Enterprise Agreement

The University's Enterprise Agreement 2018-2021 nominally expired on 30 June 2021. On 28 May 2021 the University of Sydney, the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU) agreed to commence bargaining for the next enterprise agreement. Bargaining continued throughout 2022 with 30 substantive bargaining meetings and six specialist meetings held to try and resolve matters. While good progress was made, there were still areas of disagreement between the University and Unions at the end of 2022. The NTEU took three rounds of industrial action across 2022. The University is committed to continuing to try and reach a fair and sustainable agreement with the unions in 2023 that will maintain and enhance our sector-leading staff conditions and benefits; enable a diversity of career paths and career development for all staff; support flexible working arrangements; and increase overall job security.

Modern slavery

The University of Sydney is committed to demonstrating leadership for good by respecting human rights and addressing modern slavery risks across our research, teaching, supply chain and investments.

The University's second Modern Slavery Statement, a requirement of the *Modern Slavery Act 2018 (Cth)*, was approved by the Senate and submitted to the Department of Home Affairs in June 2022. Our efforts throughout the year focused on embedding our modern slavery due diligence across our strategic, policy, and legal settings, including:

- establishing a dedicated expert modern slavery team
- strengthening our supply chain due diligence, including undertaking deep dive assessments of 100 high-risk suppliers

- resolving five reports made through our dedicated online reporting form for modern slavery. These reports were addressed through existing university processes, as they did not constitute modern slavery.
- participating in consultation with the Commonwealth and NSW Governments on modern slavery policy reforms.
- engaging with academic colleagues to accelerate education and research excellence on human rights, including establishing a new MBA unit of study on responsible business.
- new collaborations with the inaugural NSW Anti-slavery Commissioner and Electronics Watch.

We continue to work to empower our staff and students to effectively identify and respond to modern slavery. By the end of 2022, more than 15,000 staff had completed our mandatory Anti-Slavery Awareness Module and 8600 students had voluntarily completed our Anti-Slavery Student Module.

In July 2022, the University was ranked first in the Australian sector for our response to addressing modern slavery risks after a review by the RMIT Business and Human Rights Centre. We recognise that much remains to be done, and we are committed to having a meaningful impact on the global challenge of modern slavery, through our research, education and due diligence practices.

Legal change

Secure Jobs, Better Pay Act

In December, the *Fair Work Act 2009* was amended following the introduction of the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022*. The Secure Jobs, Better Pay Act provides substantial industrial relations reform, including in the areas of enterprise bargaining, fixed-term contracts, gender equality and flexible working arrangements. Notably, employers are prohibited from engaging staff on fixed-term contracts that exceed two years, subject to some exceptions; this specific change will come into effect in late 2023.

Respect@Work

In November, the *Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2022* was passed. The Respect@Work Act makes important changes, including: creating a positive duty on employers and persons conducting a business or undertaking (PCBUs) to take reasonable and proportionate measures to eliminate sex discrimination, sexual and sex-based harassment, hostile work environments and workplace victimisation as far as possible, and; increasing the authority of the Australian Human Rights Commission to inquire about compliance, compel production of information, obtain undertakings and take enforcement actions.

Privacy law

In November, both state and federal governments passed amendments to their respective privacy legislation. The state amendments establish a data breach notification scheme applicable to the NSW Public Sector and provide the regulator with capacity to give guidance and directions in relation to the scheme. The federal amendments are directed at compliance and enforcement. While the underlying framework for collection, storage, use and access of personal information is unchanged, the penalties for breaches of obligations under the legislation are significantly higher (exceeding \$50 million in some cases) and the regulator has greater investigative powers in relation to data breaches.

National Tertiary Education Union and Tim Anderson v University of Sydney

The proceedings brought by the National Tertiary Education Union (NTEU) and Dr Anderson against the University remain ongoing. In October, Justice Thawley of the Federal Court made findings that Dr Anderson was exercising rights of intellectual freedom, and the University, in taking disciplinary action against Dr Anderson, contravened the Enterprise Agreement and *Fair Work Act 2009*. Following this liability judgment, a relief hearing occurred on 22 December with the decision reserved. The University has also filed an appeal in the Full Federal Court.

Migration Amendment (Protecting Australia's Critical Technology) Regulations 2022

The purpose of the regulations is to manage the risk of unwanted knowledge transfer of critical technology by international research students. It is understood that Australia's Department of Foreign Affairs and Trade and Home Affairs will assess temporary visas for PhD students. Technology and new conditions will be placed on those temporary visa holders, restricting their research topic to that approved for their visa, and any change to that topic (which can occur on change of supervisor, for example) must be approved by the Minister. Universities are having discussions regarding the ongoing and likely implementation challenges, particularly in dealing with change of topic and the anticipated delays in timeframes for Ministerial approvals. Commencement of the regulations has been delayed to allow for consultation on the list of critical technologies that will apply for this purpose and is anticipated to occur in the first half of 2023.

Security Legislation Amendment (Critical Infrastructure Protection) Act 2022

The *Security of Critical Infrastructure Act 2018* has been amended by the *Security Legislation Amendment (Critical Infrastructure Protection) Act 2022* to further strengthen Australia's critical infrastructure against increased cyber-attacks. Three key obligations are imposed on critical infrastructure asset operators to increase preparedness for and resilience in the event of cyberattack. First, universities, as critical infrastructure operators, are required to implement an agreed risk management framework using the University Foreign Interference Guidelines Risk Management Framework (as iteratively strengthened by the Department of Home Affairs). Annual reports detailing compliance with the risk management framework are required. Second, the legislation creates a framework of Enhanced Cyber Security Obligations for Systems of National Significance, which includes cyber security incident response plans, cyber security exercises and vulnerability assessments. Third, measures to enhance Australia's protected information disclosure system have been introduced to permit sharing of near-real time threat information to provide sectors with a more mature understanding of emerging cyber security threats and consequent risk reduction capacity.

Government Sector Finance Act 2018 (NSW)

The Act makes significant changes to presentation and content of government sector agencies' annual reports. It aims to improve accountability and efficiency of financial management, with a shift to a principles-based reporting framework. The University will be required to present its 2023 report in the new format.

Human resources

HR-related policies and practices

The new Appointment of Academic Leaders Procedures 2022, approved in March 2022, relate to the appointment of senior academic leadership roles within faculties and were revised to consolidate all policy requirements around selection and appointment, subsequent remuneration and support packages. These procedures provide the Provost with oversight of these senior leadership appointments and ensure consistency across the University in appointing academic leadership roles.

The Recruitment and Appointment Policy was amended to help streamline recruitment procedures and reduce the time taken to fill a position in the current labour market. This included amendments to achieve more timely convening of academic selection committees; improving timeliness of pre-employment checks; and providing scope for the Vice-Chancellor, Provost or Vice-President (Operations) to approve a modified recruitment process in exceptional circumstances. After extensive consultation, the amended policy became effective in November 2022.

The Visa and Work Rights policy and related procedures underwent a substantive review to ensure alignment with immigration legislation and coverage of compliance risk management. The updated policy supports the University's strategic priorities of attracting and developing outstanding staff as well as in fostering excellence and innovation in research and teaching. Extensive consultation was conducted with key stakeholders across the University, including senior academic leaders and faculty and school General Managers. The policy was finalised in May 2022.

New Timesheet Procedures were approved in February 2022 to strengthen the University's compliance with obligations under the Enterprise Agreement. In particular, the new procedures address the recommendations of the Employee Payments Review (EPR) and provide clear guidance to managers and staff on standardised timesheet completion, submission and approval practices and their roles and responsibilities.

Employee Payments Review

The University's Employee Payments Review program continued to focus on two streams of activity – remediation payments to staff members who were underpaid, and implementation of people, process and technology controls to support correct payments to staff going forward.

The initial phase of the program is nearly complete. It involved a comprehensive review of payroll data and timesheets for staff covered by the Enterprise Agreement and primarily identified issues related to the payment of some entitlements to professional staff, particularly casual professional staff.

Commencing in September 2021, the University has progressively been making remediation payments to current and former staff members for the review period from January 2014 to November 2020. Further remediation payments will be made to staff in mid 2023 to cover the review period from January 2014 to June 2022.

The next phase of the program focuses on casual academic staff and involves a detailed review of the work allocation, supervision, and payment practices for casual academic staff. To the extent that any errors in payment are identified, action will be taken to remediate any monies owed.

The University continued to co-operate with the Fair Work Ombudsman and to keep staff and unions informed of progress. Regular updates were shared with staff on the University's progress in relation to the program, including in relation to the focus on casual academic staff.

Strategic talent acquisition and strategic hires

The University appointed a number of key University Executive leaders in 2022, including Professor Joanne Wright (University of Queensland) as Deputy Vice-Chancellor (Education); Professor Emma Johnston (University of NSW) as Deputy Vice-Chancellor (Research); Kirsten Andrews (Internal) as Vice-President (External Engagement); Professor Lisa Adkins (Internal) as Dean of the Faculty of Arts and Social Sciences; Professor Leisa Sargent (University of NSW) as Dean of the University of Sydney Business School and Professor Marcel Dinger (University of NSW) as Dean of the Faculty of Science. Other key executive appointments included Darren Goodsir (NSW Department of Education) as Chief of Staff in the Office of the Vice-Chancellor and President; Alison Hamill (ABC) as Chief Internal Audit Officer; Kim Grady (Australia Post) as Chief Health and Safety Officer; Professor Susan Rowland (University of Queensland) as Vice-Provost; Professor Ben Eggleton (Internal) as Pro-Vice-Chancellor (Research); Professor Louise Sharpe (Internal) as Pro-Vice-Chancellor (Researcher Training) and Professor Simon Ringer (Internal) as Pro-Vice-Chancellor (Research Infrastructure).

Staff level and salary ranges

2022 salary rates

Academic staff

Level E and above	\$215,040+
Level D	\$166,939 - \$183,911
Level C	\$138,645 - \$159,867
Level B	\$113,184 - \$134,403
Level A	\$79,784 - \$107,516

Professional staff (35-hour week)

HEO 10 and above	\$138,799+
HEO 9	\$129,847 - \$137,008
HEO 8	\$111,966 - \$126,271
HEO 7	\$100,032 - \$108,979
HEO 6	\$91,644 - \$98,796
HEO 5	\$79,717 - \$89,256
HEO 4	\$73,751 - \$77,926
HEO 3	\$64,806 - \$71,962
HEO 2	\$61,822 - \$63,614
HEO 1	\$57,645 - \$60,034

Combined totals of academic and professional staff positions 2018-22 by appointment term and gender

	2018			2019				2020			2021				2022			
	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Non-binary /Undis-closed	Total
Continuing	2397	2002	4399	2383	2021	0	4405	2527	2046	4573	2515	1960	0	4486	2649	2028	0	4694
Fixed term	2165	1381	3546	2409	1451	0	3860	2439	1519	3958	2251	1406	0	3659	2344	1440	0	3789
Total**	4562	3383	7945	4792	3472	1	8265	4966	3565	8531	4766	3366	13	8145	4993	3468	22	8483

Academic staff positions 2018-22 by appointment term, level and gender

	2018			2019				2020			2021				2022			
	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Non-binary /Undis-closed	Total
Continuing																		
Level E & above	133	305	438	125	317	0	442	147	311	458	139	299	0	439	140	298	0	439
Level D	161	250	411	170	245	0	415	191	260	451	182	232	0	415	183	226	0	410
Level C	219	260	479	232	249	0	481	234	249	483	218	235	0	453	217	237	0	454
Level B	182	169	351	187	170	0	357	205	179	384	187	165	0	352	205	173	0	379
Level A	36	28	64	44	26	0	71	40	24	64	37	18	0	55	43	20	0	63
Subtotal	731	1012	1743	758	1007	1	1766	817	1023	1840	763	949	2	1714	788	954	3	1745
Fixed term																		
Level E & above	84	177	261	95	173	0	268	100	182	282	115	166	0	281	126	177	0	303
Level D	74	88	162	72	89	0	161	74	88	162	74	85	0	159	76	99	0	175
Level C	131	96	227	143	98	0	241	137	89	226	153	109	0	262	175	110	0	285
Level B	292	203	495	311	230	0	541	299	233	532	257	232	0	490	291	221	0	512
Level A	355	316	671	356	317	0	673	350	351	701	306	302	0	608	264	289	0	554
Subtotal	936	880	1816	977	907	0	1884	960	943	1903	905	894	1	1800	932	896	1	1829
Total**	1667	1892	3559	1735	1914	1	3650	1777	1966	3743	1668	1843	3	3514	1720	1850	4	3574

Professional staff positions 2018-22 by appointment term, level and gender

	2018			2019				2020			2021				2022			
	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Total	Women	Men	Non-binary /Undis-closed	Total	Women	Men	Non-binary /Undis-closed	Total
Continuing																		
HEO 10 & above	156	128	284	169	142	311	196	142	338	197	142	0	340	209	150	0	360	
HEO 9	133	103	236	139	96	235	133	86	219	152	92	0	244	158	111	0	269	
HEO 8	231	156	387	215	157	372	210	150	360	217	140	0	360	231	150	0	384	
HEO 7	311	187	498	309	183	492	330	192	522	334	201	0	537	365	217	0	584	
HEO 6	432	201	633	404	197	601	435	190	625	421	186	0	610	462	181	0	648	
HEO 5	240	109	349	229	131	360	246	162	408	273	162	0	435	266	161	0	427	
HEO 4	100	49	149	95	57	152	99	55	154	103	53	0	156	120	68	0	191	
HEO 3	43	47	90	46	44	90	42	40	82	44	31	0	75	30	30	0	60	
HEO 2	14	9	23	17	7	24	15	6	21	7	4	0	11	4	5	0	9	
HEO 1 & below	6	1	7	2	0	2	4	0	4	4	0	0	4	16	1	0	17	
Subtotal	1666	990	2656	1625	1014	2639	1710	1023	2733	1752	1011	9	2772	1861	1074	14	2949	
Fixed term																		
HEO 10 & above	94	70	164	117	74	191	132	79	211	127	79	0	206	130	76	0	207	
HEO 9	62	46	108	83	55	138	94	61	155	78	47	0	125	109	51	0	160	
HEO 8	137	71	208	161	68	229	186	80	266	156	69	0	225	176	74	0	252	
HEO 7	226	119	345	275	116	391	281	124	405	259	97	0	356	252	98	0	350	
HEO 6	286	79	365	324	89	413	329	102	431	322	100	0	422	324	111	0	435	
HEO 5	300	83	383	333	99	432	304	84	388	281	82	0	364	298	94	0	393	
HEO 4	70	16	86	96	28	124	104	29	133	80	24	0	104	73	31	0	104	
HEO 3	47	9	56	38	10	48	45	11	56	40	10	0	50	46	7	0	53	
HEO 2	4	4	8	3	1	4	3	1	4	2	1	0	3	1	0	0	1	
HEO 1 & below	3	4	7	2	4	6	1	5	6	1	3	0	4	3	2	0	5	
Subtotal	1229	501	1730	1432	544	1976	1479	576	2055	1346	512	1	1859	1412	544	4	1960	
Total**	2895	1491	4386	3057	1558	4615	3189	1599	4788	3098	1523	10	4631	3273	1618	18	4909	

*All statistics in these tables are as at 31 March 2022

**Total includes some staff with 'Non-binary/Undisclosed gender'

Workforce diversity

The vision for a University community that thrives through diversity is one of the foundational pillars of the University's 2032 Strategy. In 2022 we recognised Dr Zsuzsanna Dancso, from the School of Mathematics and Statistics, and the John Yu Fellowship Team from the University of Sydney Business School and Culture Strategy, for their outstanding contributions to Diversity and Inclusion at the University at the Vice-Chancellor's Awards for Excellence.

COVID-19 impacts and flexible working

In 2022 the University's focus was on reactivating our campuses while maintaining the gains made in flexible and remote working for staff, offering staff a range of flexible working options and supporting resources to assist them with changing needs and expectations during the third year of COVID-19 having an impact on our lives.

Aboriginal and Torres Strait Islander peoples

The *One Sydney, Many People Strategy 2021-24* established a target to increase workforce participation of Aboriginal and Torres Strait Islander peoples to population parity by 2030. Our new *2022-24 Aboriginal and Torres Strait Islander Employment Plan* maps a pathway to achieve this.

Key achievements:

- Developed and launched the *2022-2024 Aboriginal and Torres Strait Islander Employment Plan*
- Increased workforce participation to 1.09%, with the highest-ever level of new Aboriginal and Torres Strait Islander people joining the University
- Strengthened our Aboriginal and Torres Strait Islander Staff Network
- Increased intake into our Aboriginal and Torres Strait Islander traineeship program
- Celebrated culturally significant events, including Reconciliation Week, Mabo Day, and NAIDOC Week
- Held several welcome events for new Aboriginal and Torres Strait Islander staff
- Provided professional development opportunities for Aboriginal and Torres Strait Islander staff
- Continued to build staff cultural competence through National Centre for Cultural Competence workshops.
- Continued to develop appropriate mechanisms to address issues of cultural load and safety.

Cultural diversity

In 2022, the University affirmed a commitment to zero-tolerance for racism at the University, formally launching the Anti-Racism Pledge, and leveraging opportunities to celebrate our staff and students across all ethnicities, cultures and heritages.

Key achievements :

- Strengthened our Mosaic Network, bringing together staff from all ethnicities and cultural backgrounds to build inclusion capability and provide networking opportunities
- Mosaic Network was awarded a University grant to examine the experiences of staff who perceive themselves as not being represented in the dominant Anglo-Australian culture
- Formally launched the Anti-Racism Pledge, developed by the Mosaic Network, building awareness and self-reflection for staff to understand the multiple forms in which racism can manifest and eliminate racism from the University
- Continued to build and promote the Mosaic Network's 'Say My Name' campaign alongside the Pride Network's 'Use My Pronouns' campaign
- Continued the Vice-Chancellor's Sponsorship Program, which is directed at accelerating culturally diverse women's careers and leadership success at the University
- Ran the fourth Dr John Yu Fellowship on cultural diversity and leadership for University staff and external participants.

Disability

In 2022 we continued to implement our Disability Inclusion Action Plan (DIAP) 2019–2024, which provides a pathway for full inclusion and participation of people with disability at the University. Our Disability At Work Network (DAWN) Steering Committee was the recipient of a 2022 ‘Innovation’ Award from the National Awards for Disability Leadership.

Key achievements:

- Strengthened the DAWN, increasing membership and providing regular opportunities for communication and networking
- Hosted eight internships via the Stepping into Internship program, in partnership with the Australian Network on Disability (AND)
- Commenced implementation of recommendations from our 2021 submission to the AND’s Access and Inclusion Index
- Supported professional development of the DAWN Steering Committee through membership with the Disability Leadership Institute
- Raised awareness and celebrated people with disability during September’s Disability Inclusion Week
- Continued to build staff and manager capability by providing targeted disability awareness training and Disability Confident Manager Workshops
- DAWN provided Lived Experience consultation on six projects.

Gender equity

We maintained our aspiration to achieve gender equity across all levels and roles. We continued to participate in the Athena Swan/Science in Australia Gender Equity (SAGE) and Champions of Change Coalition Programs, report to the Workplace Gender Equity Agency (WGEA) and support our Women at Sydney staff network.

Percentages of women in senior roles

Level	2020	2021	2022
Senior leaders	46%	50%	54%
Level E academic staff (including exempt)	32%	35%	35%
Level D academic staff	42%	45%	45%
Senior professional staff	46%	51%	51%

Key achievements:

- Increased representation of women in senior leadership positions and maintained strong representation across other senior levels, as well as an increase in the percentage of women hired and promoted, and a reduction in the attrition rate for women
- Maintained compliance with the WGEA’s requirements for the ninth consecutive year, reporting our fourth consecutive reduction in the gender pay gap (now 7.1%)
- Continued to implement our 2019 Athena SWAN Bronze Institutional Award Action Plan, solidifying our pathway to achieve five SAGE Cygnet Awards over the next two years, as a precursor to our longer-term aspiration to reach SAGE Silver accreditation
- Celebrated International Women’s Day with a live/hybrid Panel event and hosted a conference on Domestic and Family Violence, including a panel discussion to mark 16 Days of Activism
- Launched Women at Sydney Connect, a networking and group mentoring program
- Supported career progression via our Sydney Women’s Leadership and Positioning for Promotion Programs.

LGBTQIA+

For the second consecutive year, the University achieved Gold Status in the annual Australian Workplace Equality Index (AWEI), reflecting our ongoing aspiration to be an employer of choice for people regardless of their gender, sex characteristics, or sexuality.

Key achievements:

- Strengthened our Pride Network, including new initiatives such as Pride in Sport and Fitness
- Marched in the Sydney Gay and Lesbian Mardi Gras Parade
- Raised awareness of LGBTQIA+ Days of Significance throughout the year
- Collaborated with other staff networks, such as the 'Use My Pronouns' campaign in conjunction with the Mosaic Network's 'Say My Name' campaign, and the 'Interwoven' workshop held with the Aboriginal and Torres Strait Islander Network
- Delivered a range of LGBTQIA+ inclusion training programs for staff and students
- Engaged with other University Pride networks.

Diversity of University staff

Diversity group	2020	2021	2022
Female	4966	4766	4993
Aboriginal and Torres Strait Islander	86	80	94
Ethnic/racial/religious minority	748	675	600
People whose first language was not English	1678	1573	1375
People with a disability	132	129	129
People with a disability requiring work-related adjustments	19	17	20

Diversity group	2020	2021	2022
Academic			
Female	1777	1668	1720
Aboriginal and Torres Strait Islander	38	35	40
Ethnic/racial/religious minority	286	273	249
People whose first language was not English	827	757	651
People with a disability	58	59	62
People with a disability requiring work-related adjustments	14	12	12

Diversity group	2020	2021	2022
Professional			
Female	3189	3098	3273
Aboriginal and Torres Strait Islander	48	45	54
Ethnic/racial/religious minority	462	402	351
People whose first language was not English	851	816	724
People with a disability	74	70	67
People with a disability requiring work-related adjustments	5	5	8

Please note: All diversity data is based on optional staff self-disclosures. Numbers are as of 31 March 2022.

Consumer response

In 2022 there were significant changes in the volume of complaints received, as many staff and students returned to campus after long periods of remote working and learning over the last two years. For the Student Affairs Unit (SAU), which handles complaints from and/or about students and misconduct by students, administrative or faculty decisions were the most frequent cause of complaints and the total of complaints received rose by 36 percent.

Similarly, the University's Workplace Relations Unit deals with complaints made about staff and affiliates that relate to alleged bullying, harassment, discrimination, sexual assault and sexual harassment and various other types of complaints. Such complaints against staff may be made by staff, affiliates, students or members of the public. The total number of complaints about staff conduct rose by 25 percent in 2022.

These overall increases can potentially be attributed to the large-scale return of students and staff to campus across the year. At the same time, complaints related to infrastructure decreased by almost 19 percent.

Sexual misconduct

The University remains committed to responding to sexual misconduct in a compassionate, transparent and fair manner and strives to continuously improve the quality of support provided to victim-survivors. In March 2022, the University launched a University-wide Roadmap to the Prevention of Sexual Misconduct to address the results of the 2021 National Student Safety Survey. The roadmap draws upon a vast number of consultations with students ensuring that students remain at the heart of what we do. Some key initiatives that were achieved as part of the Roadmap in 2022 include delivery of consent training to 1294 students in student accommodation and residential colleges, 33,746 students successfully completed the Consent matters module, and 600 staff and student leaders completed training on how to respond to sexual misconduct disclosures.

Other initiatives included streamlining of all relevant web pages to improve accessibility, the launch of the NSW Health sexual health peer facilitation project (SHAPE) to train peer facilitators to deliver sexual health education to fellow students; delivery of pilot sessions of 'Respectful relationships' training to HDR supervisors and the launch of the 'It's all about consent' campaign hub: sydney.edu.au/students/all-about-consent.html

The Safer Communities Office (SCO) consists of eight staff members who provide preventative education and trauma-informed case management to victim-survivors of sexual misconduct. This work is complemented by an existing set of policies and procedures designed to support former and current students, staff and affiliates who may wish to make a disclosure or complaint relating to sexual misconduct. The SCO continues to work with all victim survivors and our colleagues to achieve the best possible outcomes for survivors. A commitment has been made by the University to release a more detailed report on preventative education and response to sexual misconduct in the first six months of 2023.

Student complaints

In 2022, the Student Affairs Unit (SAU) received a total of 1166 cases, which included 1173 individual matters of complaint. This compares to 855 matters of complaint in 2021 and 1282 in 2020. The overall increase in complaint numbers since 2021 could potentially be attributed to the large-scale return of students and staff to in-person learning and teaching, as reported elsewhere in this Annual Report. It should be noted that all numbers refer to matters received and do not equate to cases having been tested or substantiated.

Notable changes in rates of complaint since 2021 include:

- 285 complaints about administrative or faculty decisions (the most frequent issue of complaint in 2022), down from 342 in 2021;
- 257 teaching quality complaints (third most frequent issue in 2022), down from 305 in 2021;
- 14 assault complaints, down from 22 in 2021, and;
- 4 complaints of sexual misconduct (sexual assault), down from 7 in 2021.

However, there were also increases in complaints, as follows:

- 16 complaints of alleged sexual harassment; up from 8 complaints in 2021,
- 58 complaints of alleged bullying; up from 31 complaints in 2021,
- 67 complaints of alleged harassment; up from 55 complaints in 2021,
- 266 complaints of unfair treatment (the second most frequent complaint issue in 2022); up from 190 in 2021, but this was still around half the number reported in 2020 of 533.

There were four formal complaints of sexual misconduct (sexual assault), down from seven in 2021.

Improvements evident in 2022 were as follows.

1. A significant improvement in misconduct detection tools and activity, especially in the latter part of the year in relation to online exams and the use of ProctorU.
2. A variety of student orientation-focused initiatives, including the implementation of a welcome planner that resulted in a significant increase in commencing student subscriptions to orientation services.

Staff complaints

In 2022, the Workplace Relations team received a total of 95 complaints about staff member conduct, compared to 76 complaints reported in 2021 and 120 in 2020. Of the 95 complaints, 22 of these were student complaints about staff members' conduct, with the remainder being staff members complaining about other staff members. The increase in numbers could potentially be attributed to the return of students and staff to campus following the COVID impacts and Public Health Orders of the previous year (ie, more face-to-face contact can lead to more complaints about conduct). This number of complaints as a percentage of total headcount is 1.15 percent, which is considered low.

The complaints resolved in 2022 resulted in the following.

- 30.53 (29) percent of complaints were found to be unsubstantiated.
- 13.68 percent (13) were resolved locally (ie, by the complainant/respondent and local management).
- 2.11 percent (2) resulted in serious misconduct action being taken against the respondent.
- 3.16 percent (3) resulted in misconduct action being taken against the respondent and;
- 24.21 percent (23) of complaints that were commenced did not progress due to various reasons, including the complaint being withdrawn prior to resolution of the matter.

At the time of publication 25 complaints are still being actively worked on. The University is undertaking a comprehensive review of complaint handling in 2023 to ensure that processes remain aligned with best practice.

Infrastructure, facilities and campus security issues

In 2022 University Infrastructure (UI) managed complaints about infrastructure – including both facilities and security – using the approved UI Complaints Management guidelines. The guidelines are based on the customer satisfaction formula recommended by the NSW Ombudsman's *Effective Complaint Handling* (3rd Edition – February 2017) and the Australian/New Zealand Standards – Guidelines for complaints management in organizations (ISO 10002:2014, MOD).

The process is designed to deliver quality customer service and to communicate effectively with our stakeholders, students and neighbouring community.

The University received 28 complaints regarding issues associated with infrastructure compared to 46 complaints in 2021 and 48 complaints in 2020. This decrease can potentially be attributed to better facilities management.

The majority of these complaints related to facilities management (96 percent). Many of the complaints related to physical noise from plant (50 percent) light pollution (19 percent) health and safety related issues (11 percent) graffiti (9 percent) and miscellaneous (11 percent). Complaints were received from local residents (92 percent) University staff (4 percent) and government agencies (4 percent).

Cyber security

The security of the University's information and systems is fundamental to our ability to achieve excellence in research and education. Improving and maturing our cyber security continued to be one of our highest priorities in 2022.

We take a rigorous standards-based approach to managing cyber security risks for our staff, students, alumni, affiliates, partners and vendors, and all other organisations and individuals who support our commitment to excellence. Our Cyber Security Policy defines responsibilities and principles required within the University to protect the confidentiality, integrity and availability of ICT resources and digital information. The Acceptable Use of ICT Resources Policy outlines conditions of use for University ICT services and penalties for misuse. These policies are publicly available at sydney.edu.au/policies.

The ongoing hybrid working arrangements established during the global pandemic changed the risk profile for staff, resulting in a focus on ensuring devices are compliant with our security standards. Staff awareness of threats such as email phishing was strengthened through training simulations, targeted training, and an updated mandatory online learning module. From late 2021 to the end of 2022 a total of 13,945 staff completed cyber security awareness training, via a mandatory online module.

Our defence-in-depth approach to managing cyber security risk encompasses technical, procedural and personnel controls. In designing our control model, we adopted many of the Australian Signals Directorate's (ASD) recommended mitigation strategies. Sixteen projects were executed in 2022, informed by the 2021 independent cyber threat and risk assessment conducted biennially. The projects enhanced cyber security control capabilities. The University recognises that while technological control measures and prevention are vital, these measures cannot provide absolute protection from highly skilled, resourced and motivated threat actors. Consequently, we partner with managed security service providers to deliver continuous monitoring, incident detection and response capability.

There has been increased engagement with the Australian Government through the University Foreign Interference Taskforce and the *Security Legislation Amendment (Critical Infrastructure) Act 2021*, which commenced mandatory incident reporting obligations in July 2022. The University recognises that the cyber security threat environment continues to worsen while government and community expectations of organisations' cyber risk management are increasing. The University continues to prioritise improvements to cyber security capabilities and maturity for the foreseeable future.

Risk management and insurance

The integration of risk management considerations into the 2032 Strategy planning process has deepened the connection between risk management and strategy and allowed for a fulsome review of all risk management artefacts. Ongoing engagement with the strategy process, senior executive team and consideration of the broader challenging context within which the University operates has seen enhancements to the University's Risk Management Framework, Risk Appetite Statement, the University's risk profile, and the ways we measure risk exposure. These enhanced risk artefacts will support the ongoing work to integrate risk consideration into decision making and reporting across the University.

Enterprise risks continue to be overseen by the Senate's Risk and Audit Committee through reporting at each meeting and active management by the University's senior executive team. Faculties, schools and portfolios each maintain a local unit risk register to monitor and track their local risks. Furthermore, enhancements made to the Project Risk Management Framework ensure better alignment of project risk management with the broader Risk Management Framework.

Results of the annual Risk Culture Survey are indicative of an improving risk culture across the University. The areas seeing the greatest improvement relate to improving staff risk acumen and perception of the University's risk response processes.

The University's ability to respond to, and recover from, significant disruptive incidents – whether they be severe weather events, cyber security breaches, or hazardous material releases – was tested during the year through the deployment of a structured exercise program. These exercises continue to improve the level of coordination in our response processes by training relevant staff, and the learnings derived from these exercises also continue to enhance the Organisational Resilience Framework and supporting response plans and procedures.

The University also maintains a comprehensive insurance program to protect itself against the financial effects of insurable risks. This program extends to its subsidiaries and controlled entities, and also includes Senate and Senate subcommittee members, the University's officers, employees, volunteers and students. The University's insurance program is renewed annually at the end of October.

Work health and safety

Health, safety and wellbeing in 2022

The University continues to care for staff, contractors, researchers, and students through maturing programs that support mental, physical, and social health.

We have continued our growing focus on critical risk, ensuring that our people understand the high-potential risks that exist in our operations and the associated critical controls that are vital to the health and safety of everyone at the University. A risk-based health and safety assurance program commenced in 2022, identifying improvements and providing coaching on key areas of health, safety, and wellbeing requirements.

The University has remained agile in responding to COVID-19 and the evolution of public health advice and guidelines over the year. COVID-safe procedures and flexible work arrangements have supported the continuity of education, research and the return of on-campus activities.

Health and Safety Professional Services Unit

In October, the Health, and Safety Professional Services Unit (H&S PSU) welcomed Ms Kim Grady as the new Chief Health and Safety Officer. Reporting to the Vice-President (Operations) Mr Stephen Phillips, the new Chief will oversee the embedding of the H&S PSU as it provides specialist advice and safety partnering, as well as the development of the Health, Safety and Wellbeing three-year plan to support the University's 2032 strategy.

Critical Risk Management

The Critical Risk Management process expanded through the University in 2022 to improve managerial control over unlikely but catastrophic events by focusing on the implementation and effectiveness of critical controls.

Pilot programs included the drafting of Bow Tie diagrams to provide a visual framework of the causes, consequences and controls for a given risk. The development of Critical Control Verification checklists – enabling IT systems and leader training – will continue, with further bow-tie risk assessments throughout 2023.

Work health and safety governance

The Senate Risk and Audit Committee, chaired by Fellow of Senate Mr Jason Yat-Sen Li, met in April, July, October, and November of 2022, providing oversight of the University's health and safety risk. The committee fulfilled its due-diligence obligations by reviewing the University's operational safety and wellbeing performance, including incidents, high-potential events and near misses, workers' compensation activity, health and wellbeing, psychosocial risks, and relevant legislation changes.

Work health and safety management

The University Executive (UE) Work Health and Safety Committee, chaired by the Vice-Chancellor, met monthly across 2022, to provide oversight of University-wide planning, decision making and performance. The committee reviewed health and safety performance dashboards, specialist reports, investigations and insights to support the Health, Safety and Wellbeing tactical initiatives.

Health and wellbeing

As we look to mature our approach to health and wellbeing, a draft Health and Wellbeing Program for 2023-2025 supporting enterprise-wide initiatives, in conjunction with local interventions, was released for consultation in late 2022. Early work has commenced to pilot local-level Psychosocial Risk Reviews across three schools.

The Innowell platform, launched in August to connect staff and students to resources to improve physical, mental, and social health, now has more than 1500 staff accounts. Mental Health First Aid training continues, with 30 accredited and five refresher courses offered. Benestar, our Employee Assistance Provider, delivered training on topics such as self-care practices, burnout and contributing to a healthy team culture.

The University conducted activities to streamline and consolidate practices for communicating information relating to health and wellbeing and the provision of supporting resources, including developing psychological health and safety guidelines and enhancing the Wellbeing Champion network.

Health and safety assurance

The assurance framework continued to mature throughout 2022, with the scope of assurance activities crossing both Health Safety Management System (HSMS) and high-risk audits. Twelve audits have been conducted, including four deep dives, providing insights into critical risks such as gas safety, working at heights, biological and chemical safety management and emergency preparedness.

Safety Partners have logged 85 local site inspection activities, with more than half resulting in proactive safety outcomes such as hazard identification and the identification of improvement opportunities.

Formal consultation on work health and safety matters

A formal Health and Safety Committee, including Health and Safety Representatives, continued to meet regularly throughout 2022. This committee provides support to existing consultation arrangements already established across the University.

WHS training

Compliance rates for mandatory online inductions remain strong across permanent and fixed-term employees throughout 2022. Opportunities for improvement with casual staff remain, including the management of casual records.

A refresh of the WHS Induction package for both front line staff and managers was commenced in late 2022 and is due to be released in 2023.

Work health and safety incidents

In 2022, there were a total of 1523 incidents and hazards reported via Riskware, the University's online health and safety reporting system. This represents a 27 percent increase in overall reporting from the previous year. 70 percent of all reports were hazards and near misses. This increase is expected as the University transitions to more on-campus activities post-COVID.

Cut, puncture or graze (25 percent) was the most frequent mechanism of injury reported during 2022, followed by slip or trip (13 percent) and bitten by an animal (7 percent).

For staff 'Slip or trip and fall on same level' was the most mechanism of injury and students most commonly suffered 'cut, puncture and graze' injuries.

Staff

Mechanism	Number	% of total
Slip or fall on same level	42	17%
Cut, puncture or graze	36	14%
Body stress from repetitive movement	22	9%

Students

Mechanism	Number	% of total
Cut, puncture or graze	72	42%
Bitten by an animal	12	7%
Hit (or stuck) by an animal	11	6%

Workers compensation

In 2022, 222 incidents of injury were reported to the Insurer, with 59 resulting in workers compensation claims – a 1.7 percent increase in the total number of claims compared with 2021.

	2022	2021	2020	2019	2018
Total cost of claims*	\$579,430	\$291,524	\$630,298	\$494,234	\$337,402
Average time lost (days) per claim*	11.01	8.76	4.74	5.00	8.49
Average cost of claims*	\$9,821	\$5,026	\$7,781	\$5,673	\$4,205
Injuries reported (WC Claims)	59	58	81	101	112
Premium payable (\$million)	\$2.19M	\$2.12M	\$2.04M	\$1.79M	\$1.49M

*As at the end of the relevant calendar year

Trauma to joints and ligaments continue to be the most prevalent workers' insurance claims. Psychological injury claims accounted for 17 percent of all claims in 2022, compared with 8.6 percent during 2021. While psychological claims rates were lower than physical claims, these claims contributed to 65.2 percent of total net incurred cost of claims in 2022. Over the last five years, psychological claims account for 11.7 percent of all workers insurance claims but contribute 53.4 percent of the total cost of all claims over the five-year period.

A total of 196 staff were supported to remain at, or recover at, work while experiencing personal ill health issues, and 32.6 percent of personal ill health cases related to psychological ill-health.

The University continues to provide an Employee Assistance Program via Benestar Pty Ltd. In our most recent reporting period (December 2022), annualised use of the Employee Assistance Program was 6.2 percent, exceeding the industry average of 1.7 percent. This serves as a positive indicator of staff (and their families) engaging in help-seeking behaviours to manage their health and wellbeing.

Insurance arrangements

The University has completed its 11th successive year in the NSW LPR Workers Compensation Scheme. Cost of claims and premium cost for 2022 were below the minimum premium payable. The University will remain insured under the iCare Loss Prevention and Recovery scheme for Workers Compensation in 2023.

Privacy and freedom of information

Privacy and Personal Information Protection Act

The University complied with the requirements of the *Privacy and Personal Information Protection Act* as outlined in its Privacy Management Plan, Privacy Policy 2017 and Privacy Procedures 2018. We responded to 16 requests for access to information and completed eight internal reviews under Part 5 of the Act. No matters were decided by the NSW Civil and Administrative Tribunal or investigated by the NSW Privacy Commissioner.

Government Information (Public Access) Act Program for the release of information

We reviewed our program for the release of information, to confirm its adequacy. We assessed access applications, the University's Contracts Register, information made available under the Open Access requirements, and the University website. No patterns regarding information sought were identified, and the types of requests received were not generated by gaps in the program of proactive release. Our website facilitates proactive release of information where there is no overriding public interest against disclosure.

We communicated policy and procedures and changes, such as new buildings, units, staff appointments, events, updated media releases and contact details for further information.

Access applications received during the year

We received 44 new access applications: 16 were for the personal information of the applicant; 22 were for information other than personal information; three were for a combination of personal information and three were withdrawn. The number of new applications received increased by three compared to 2021. Two were refused in part, and one was refused in full, because the applications were for the disclosure of information referred to in Schedule 1 of the *Government Information (Public Access) Act* (information for which there is conclusive presumption of overriding public interest against disclosure). One internal review was conducted. We provided information in response to seven informal requests under section 8 of the *Government Information (Public Access) Act*.

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	1	5	3	0	1	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector businesses	1	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	3	0	1	0	1	0	0
Members of the public (application by legal representative)	4	1	0	0	0	0	0	1
Members of the public (other)	7	8	5	4	2	1	0	2

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications	10	4	0	0	0	0	0	3
Access applications (other than personal information applications)	2	12	8	5	3	1	0	0
Access applications that are partly personal information applications and partly other	1	1	0	0	0	1	0	0

* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	2
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	2
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	3
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of occasions when application not successful
Responsible and effective government	14
Law enforcement and security	3
Individual rights, judicial processes and natural justice	17
Business interests of agencies and other persons	9
Environment, culture, economy and general matters	4
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	No of applications
Decided within the statutory timeframe (20 days plus any extensions)	25
Decided after 35 days (by agreement with applicant)	14
Not decided within time (deemed refusal)	0
Total	39

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	1	0	1
Internal review following recommendation under section 93 of the Act	0	1	1
Review by NCAT	0	2	2
Total	1	3	4

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	No of applications for review
Applications by access applicants	4
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

Financial review of 2022

Statement of financial performance (Income statement)

The University of Sydney's parent only financial statements for the year ended 31 December 2022 show that the University recorded a 2022 operating result of \$298.5 million (2021: \$1,048.1 million). For more detail about the 2022 and 2021 operating results and underlying margins, please see the table on page 47. This amount includes quarantined and non-recurring items (such as profits from asset sales, unspent funds relating to specific research grants, philanthropic funds allocated by donors to certain purposes and funds that must be spent on specific capital investment projects). The University recorded an underlying margin – excluding non-recurring items – of \$381.5 million (2021: \$453.7 million).

The parent operating result generated in 2022 is \$749.6 million lower than that generated in 2021. This emphasises the one-off, non-recurring nature of the extraordinary 2021 result. Three significant factors explain most of the reduction in the parent operating result in 2022 compared to 2021:

	\$M
Reduced investment income due to market conditions	(\$438.5)
Reversal of compulsory acquisition gains booked in 2021	(\$153.0)
Commonwealth one-off RSP contribution in 2021	(\$95.1)
Other	(\$63.0)
Total	(\$749.6)

During 2021, the University also recognised proceeds arising from compulsory acquisition of land by Transport for NSW and Sydney Water. These proceeds were recognised at the then-current valuations of the land. In 2022, following receipt of final determinations from the NSW Valuer-General, the value of these acquisitions has been reduced by \$76.6 million. The University has commenced legal action in respect to this matter.

While an operating result of \$298.5 million reflects the University's financial position in accordance with Australian accounting standards, it does not represent a surplus that can be spent freely, due to restrictions in place for a substantial proportion of the funds held, as explained above and in subsequent pages of this financial review.

In this context it is also important to note that the University is a not-for-profit entity and re-invests all available revenue into enhancing research and teaching capabilities. This investment complements our long-term capital expenditure, including development and construction of the Sydney Biomedical Accelerator (see pages 12 and 21 of this Annual Report) and other strategically important projects.

The operating result can be reconciled to the underlying result as follows:

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Operating revenue ¹	2,922.1	3,531.2	(609.1)	(17.2)
Operating expenses ²	2,623.6	2,483.1	140.5	5.7
Parent operating result per financial statements	298.5	1,048.1	(749.6)	(71.5)
Adjusted for:				
Philanthropic funds ³	(75.2)	(77.9)	2.7	3.5
Investment funds ³	(27.9)	(466.4)	438.5	94.0
Gift Expenditure and Support Expenditure	84.8	91.6	(6.8)	7.4
Net Investment in Philanthropy	(18.3)	(452.7)	434.4	96.0
Specific purpose grants	21.2	5.1	16.1	315.7
Parent underlying margin including non-recurring items	301.4	600.5	(299.1)	(49.8)
Non-recurring items:				
RSP Contribution deployed to SBA Building	-	(95.1)	95.1	
Write down Cumberland Campus	-	35.6	(35.6)	
Other Write-downs (J03, software)	3.5	12.3	(8.8)	
Profit on sale of assets				
- Badgery's Creek compulsory acquisitions	76.6	(76.4)	153.0	
- Camperdown/ Glebe properties	-	(23.2)	23.2	
Parent underlying margin excluding non-recurring items	381.5	453.7	(72.2)	(15.9)

¹ For further information, see Section 1 on operating revenue (page 49).

² For further information, see Section 2 on operating expenses (page 52).

³ Figures include internal rate of return and reflect net margin. Certain philanthropic and investment funds are restricted and unavailable for general use.

The positive operating result disclosed in the financial statements was achieved through contributions generated by quarantined items that include the following:

- **Philanthropic funds:** A large proportion of the philanthropic funds managed by the University must be invested in perpetuity. Under the terms of many of the endowments, some investment income derived from these investments must be retained to maintain the real value of the endowment and is not therefore available to fund day-to-day operations.
- **Investment funds:** These funds must be held in reserve to meet capital requirements for a collateral fund to support the University's borrowing program, provide a backstop against any unforeseen financial shocks and form the core of a Senate-controlled discretionary endowment that may declare an annual dividend to support the University's teaching, research, and social agendas. These reserves also support our obligation to meet employee entitlements and assist in providing accommodation for our students.
- **Specific purpose grants:** These grants represent the funds received and as-yet unspent but committed to support of research and education grants, including National Health and Medical Research Council, Australian Research Council grants, Medical Research Future Fund grants and student scholarship funds.

Statement of financial position (Balance sheet)

The University's Statement of financial position has been dissected to demonstrate the significant restrictions that are in place for many of the funds held. 54.2 percent of the University's wealth, represented by its Net Assets, represents value that cannot be applied to support the University's day-to-day operations. Segregating the Statement of financial position demonstrates that much of the University's cash balances and much of its financial investments are restricted in terms of their use, largely being governed by philanthropic restrictions. In the table below please note the following:

- Tied funds are those funds contributed by external research funding bodies that can only be used for the specific purpose intended by the funder.
- Endowment funds are those restricted purpose funds that cannot be used, except for the specific purpose intended by the donors of the funds.
- Future funds are the funds set aside by the University for the specific purpose of providing a backstop for the University's borrowing program, to protect staff entitlements and to shield the University against high revenue concentration risk and to form the core of a discretionary endowment that, subject to the approval of Senate, provides an annual dividend to be paid to support the University's discretionary activities.

Summary Balance Sheet as at 31 December 2022

Description	Discretionary University funds	Tied University funds	Endowment funds	Future funds	Total
	\$M	\$M	\$M	\$M	\$M
Assets					
Cash and cash equivalents	750.9	497.6	64.4	113.4	1,426.3
Receivables and contract assets	91.2	0.1	8.8	21.4	121.5
Other financial assets	155.0	-	1,339.6	1,231.9	2,726.5
Other non-financial assets	53.2	-	-	-	53.2
Superannuation fund receivables	1,181.6	-	-	-	1,181.6
Intangible assets	160.7	-	-	-	160.7
Total non-property assets	2,392.6	497.7	1,412.8	1,366.7	5,669.8
Liabilities					
Trade and other liabilities	366.8	497.7	7.8	1.4	873.7
Borrowings	483.4	-	-	-	483.4
Staff provisions	364.4	-	-	-	364.4
Other provisions	94.7	-	-	-	94.7
Superannuation fund liabilities	1,175.1	-	-	-	1,175.1
Derivative financial instruments	7.5	-	7.6	-	15.1
Total liabilities	2,491.9	497.7	15.4	1.4	3,006.4
Net non-property assets	(99.3)	-	1,397.4	1,365.3	2,663.4
Property, plant and equipment	3,080.7	-	41.3	734.9	3,856.9
Non-current assets held for sale	5.8	-	-	-	5.8
Net assets	2,987.2	-	1,438.7	2,100.2	6,526.1
University unencumbered cash on hand	750.9				
University weekly cash draw	52.3				
Cover	14.4 weeks				

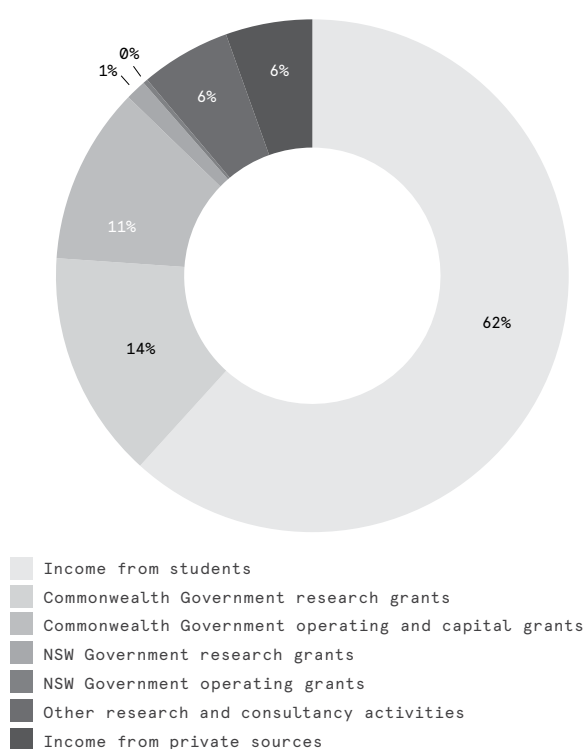
It is important to note that the University's available non-property assets have a deficit value of \$99.3 million, which is inclusive of the unencumbered cash balance of \$750.9 million. The unencumbered cash balance represents a cover of 14.4 weeks operations for the University, based on the University's average cash draw of \$52.3 million per week, to pay for operational costs.

1. Operating revenue

The 2022 operating revenue of \$2,922.1 million was \$609.1 million – 17.2 percent lower than 2021 – mainly due to decreased investment performance of \$438.5 million, the writeback of Badgerys Creek compulsory acquisitions of \$76.6 million, other non-recurring property disposal gains of \$59.3 million in 2021, and the one-off 2021 Commonwealth Government Research Support Program (RSP) contribution of \$95.1 million. The overall decrease in operating revenue was partially offset by a \$67.8 million increase in international student fees in the current year.

The following table and chart show the major components of the reported revenue.

	2022 \$M	2021 \$M	Change \$M	Change %
Income from students (including HECS-HELP and FEE-HELP)	1,803.6	1,755.0	48.6	2.8
Commonwealth Government operating and capital grants	326.3	331.7	(5.4)	(1.6)
Research and consultancy activities	623.8	682.5	(58.7)	(8.6)
NSW Government operating grant	8.6	4.2	4.4	104.8
Income from private sources	159.8	757.8	(598.0)	(78.9)
Total	2,922.1	3,531.2	(609.1)	(17.2)



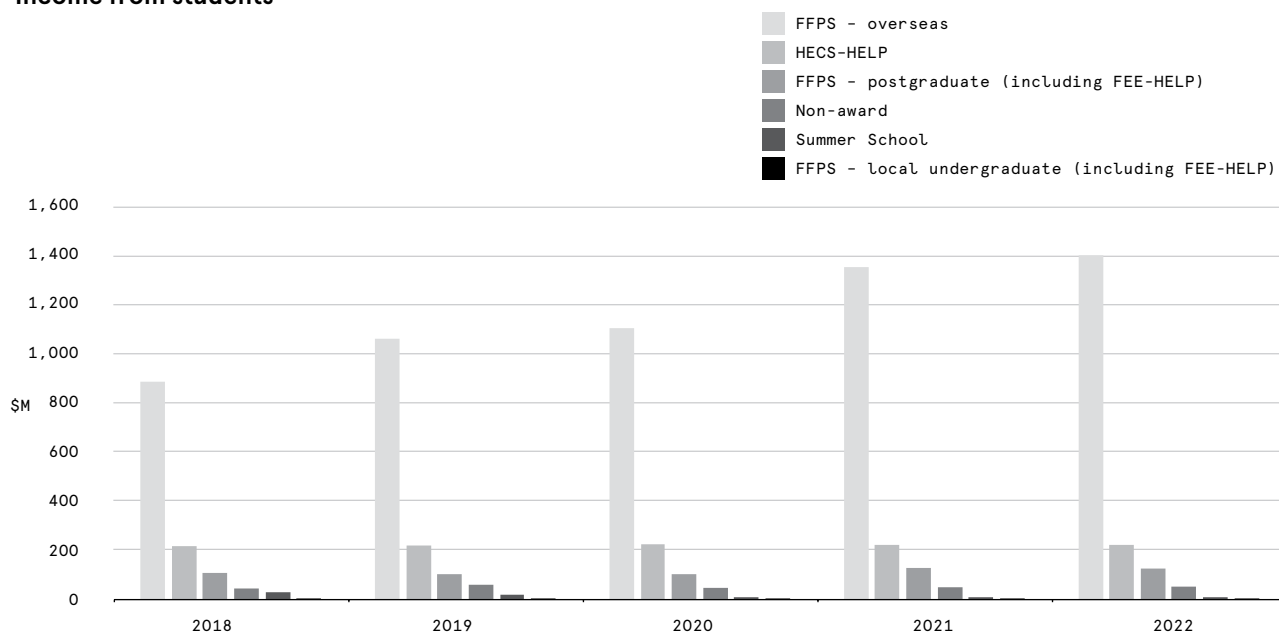
1.1 Income from students

Despite the uncertainty of the global pandemic, enrolment numbers for overseas full fee-paying (FFP) students remained strong in 2022, and this cohort represented 77.8 percent of total student income.

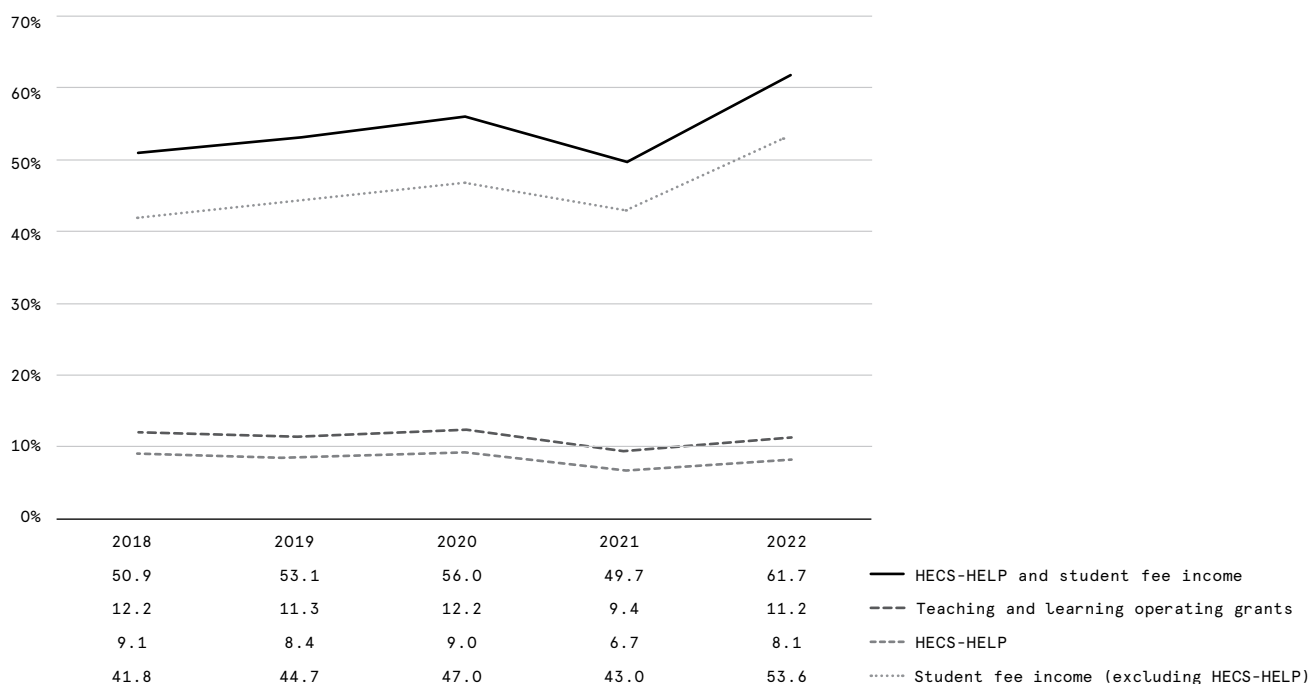
The 2022 growth in income from students of \$48.6 million was mainly attributable to additional course fees generated from FFP overseas students of \$48.2 million, an increase of 3.6 percent.

	2022 \$M	2021 \$M	Change \$M	Change %
FFPS – overseas	1,402.6	1,354.4	48.2	3.6
HECS-HELP	220.7	221.2	(0.5)	(0.2)
FFPS – postgraduate (including FEE-HELP)	124.3	125.7	(1.4)	(1.1)
Non-award	49.5	46.4	3.1	6.7
Summer School	5.4	6.1	(0.7)	(11.5)
FFPS – local undergraduate (including FEE-HELP)	1.1	1.2	(0.1)	(8.3)
Total Income from students	1,803.6	1,755.0	48.6	2.8

Income from students



University education revenue sources as a percentage of total revenue



In the five years since 2018, the proportion of revenue received from HECS-HELP and student fee income has increased from 50.9 percent in 2018 to 61.7 percent in 2022. The 2021 dip is the impact of the extraordinary investment income performance recorded in 2021, which was not repeated in 2022.

Most of the increase in student fees can be attributed to continued growth in income from overseas full fee-paying students. During the same five-year period funding received from Commonwealth teaching and learning operating grants for local students has declined from 12.2 percent to 11.2 percent.

1.2 Commonwealth Government funding

Declining Commonwealth financial support in real terms for teaching and learning operations (as highlighted on page 50 and in the table below) continues to place financial pressure on the University and has made it critical for the University to broaden alternate revenue sources. One financial imperative in this context is increasing the number of full fee-paying students. Without this response, the University would not be able to maintain the size and scale of its research activities. In 2022 Commonwealth support for teaching and learning support decreased by \$5.4 million and research revenue also decreased by \$80.7 million, largely due to the non-recurrent nature of the Commonwealth's \$95.1 million one-off Research Support Program contribution in 2021.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Teaching and learning operating grants	326.3	331.7	(5.4)	(1.6)
Capital funding	0.0	0.0	0.0	0.0
Commonwealth Government operating and capital grants	326.3	331.7	(5.4)	(1.6)
Research program funding	178.4	274.5	(96.1)	(35.0)
Australian Research Council	47.0	41.5	5.5	13.3
National Health & Medical Research Council and the Medical Research Future Fund	101.5	77.9	23.6	30.3
Other Commonwealth agencies – research	68.7	83.1	(14.4)	(17.3)
Other Commonwealth agencies – non-research	24.3	23.6	0.7	3.0
Commonwealth research funding	419.9	500.6	(80.7)	(16.1)
Total Commonwealth funding	746.2	832.3	(86.1)	(10.3)

1.3 NSW Government grants

Grants provided by the NSW Government increased by \$9.2 million (24.6 percent) to \$46.6 million in 2022.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
NSW Government operating grants	8.6	4.2	4.4	104.8
NSW Government research grants	38.0	33.2	4.8	14.5
Total NSW Government grants	46.6	37.4	9.2	24.6

1.4 Research and consultancy activities

Income received by the University for research and consultancy activities decreased by \$58.7 million (8.6 percent). In 2022 Commonwealth research funding of \$419.9 million represented 67.3 percent of the total funding in this category. Contributions by the Commonwealth Government decreased by \$80.7 million, largely due to the one-off \$95.1 million Research Support Program grant in 2021, offset by a \$14.4 million net increase in other Commonwealth research funding in 2022. In 2022, local collaborative research funding grants were higher than 2021 by \$0.8 million and overseas collaborative research funds were higher than 2021 by \$9.2 million.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Commonwealth research funding	419.9	500.6	(80.7)	(16.1)
NSW Government research grants	38.0	33.2	4.8	14.5
Industry research grants	18.1	14.2	3.9	27.5
Foundations and individual research grants	65.1	65.4	(0.3)	(0.5)
Local collaborative research funds	15.5	14.7	0.8	5.4
Overseas collaborative research funds	57.1	47.9	9.2	19.2
Consultancies	10.1	6.5	3.6	55.4
Non-Commonwealth research and consultancy funding	203.9	181.9	22.0	12.1
Total research and consultancy income	623.8	682.5	(58.7)	(8.6)

1.5 Income from private sources

The major components of this income group were as follows:

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Investment income	27.9	466.4	(438.5)	(94.0)
Philanthropic income	70.7	74.4	(3.7)	(5.0)
Commercial and other activities	(28.0)	144.3	(172.3)	(119.4)
Contributions from external organisation	34.6	36.2	(1.6)	(4.4)
Other fees and charges	50.1	33.0	17.1	51.8
Sponsorship income	4.5	3.5	1.0	28.6
Total income from private sources	159.8	757.8	(598.0)	(78.9)

Investment income decreased by \$438.5 million, mainly due to the performance of global markets in 2022.

The long-term portfolio returned 2.2 percent, with the medium-term fund returning 0.5 percent. At 31 December 2022, the University was holding an unrealised loss of \$211.7 million (2021: \$211.7 million unrealised gain). Achieving modest positive returns in 2022, given the general negative market outlook, represented better-than-average performance. Philanthropic income decreased by \$3.7 million.

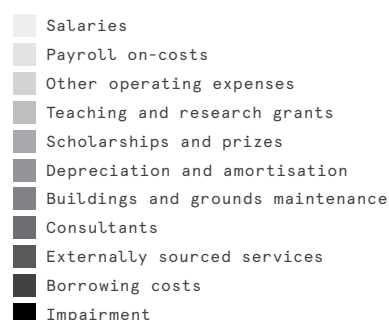
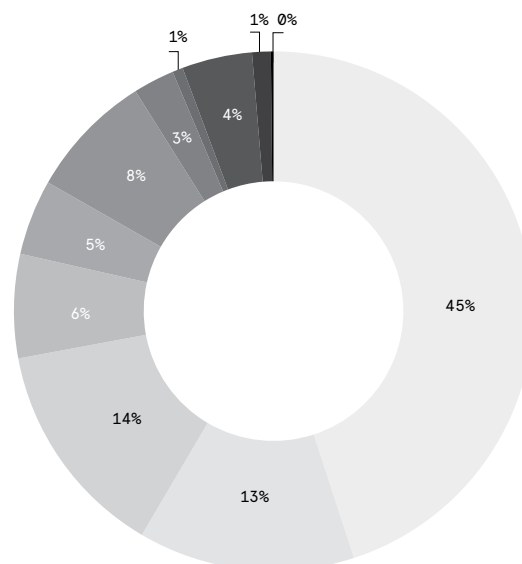
1.6 Philanthropic income pledged

The University continued to receive substantial and valuable support from donors in 2022, raising \$142.3 million in pledged income from 4,317 donors (2021: \$147.8 million).

2. Operating expenses

The 2022 operating expenditure of \$2,623.6 million was \$140.5 million – 5.7 percent higher than in 2021.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Salaries	1,180.3	1,113.9	66.4	6.0
Payroll on-costs	353.6	337.2	16.4	4.9
Total employee benefits	1,533.9	1,451.1	82.8	5.7
Other operating expenses	357.1	309.0	48.1	15.6
Teaching and research grants	169.7	166.4	3.3	2.0
Scholarships and prizes	123.4	113.8	9.6	8.4
Depreciation and amortisation	205.4	214.6	(9.2)	(4.3)
Repairs and maintenance	67.4	59.5	7.9	13.3
Consultants	17.2	21.0	(3.8)	(18.1)
Externally sourced services	114.7	85.1	29.6	34.8
Borrowing costs	30.5	26.3	4.2	16.0
Impairment	4.3	36.3	(32.0)	(88.2)
Total non-salary expenses	1,089.7	1,032.0	57.7	5.6
Total expenses	2,623.6	2,483.1	140.5	5.7



The major items contributing to the increase were:

- A \$82.8 million increase in salaries and payroll on-costs. The increase is the result of the 2.1 percent administrative pay increase, the \$1,000 one-off COVID support payments to staff, provision for casual academic staff underpayment estimates, and provision for staff superannuation remediation and project work.
- A \$48.1 million increase in other operating expenses, due mainly to increased expenditure for laboratory and medical supplies, travel and related staff development training, and return to a normal post-pandemic activity level for campus and building service provision.
- \$29.6 million increase in externally sourced services driven by increased contractor use in infrastructure and operations after the COVID pandemic.
- A \$9.6 million increase in student scholarships and prizes, a \$7.9 million increase in building and equipment maintenance and a \$4.2 million increase in financing and interest costs.

Offset by:

- A \$32.0 million decrease in impairment expenditure, due to the non-recurring 2021 adjustment for the Cumberland Campus.
- A \$9.2 million decrease in depreciation and amortisation, due to reduced volume of asset retirements during 2022.
- A \$3.8 million decrease in consultancy expenses in 2022.

3. Expenditure on assets

The University continues to commit to a long-term capital expenditure plan to assure its future sustainability. This includes funding for state-of-the-art buildings, information and communications technology and library infrastructure to support the University's core teaching and research activities.

In 2022, the University incurred capital expenditure of \$153.6 million, a \$57.4 million increase over the equivalent amount for 2021. However, that level of expenditure was significantly short of the University's planned spending, with supply chain and pandemic-related market disruptions impairing and delaying progress on the capital program.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Land and buildings	0.7	0.0	0.7	0.0
Equipment	33.9	45.5	(11.6)	(25.5)
Capital works – software	20.6	21.1	(0.5)	(2.4)
Capital works – buildings	74.4	20.7	53.7	259.4
Other	24.0	8.9	15.1	169.7
Total capital expenditure	153.6	96.2	57.4	59.6

4. Equity

The total equity of the University at 31 December 2022 was \$6,526.1 million, \$378.6 million higher than at 31 December 2021 at the University parent entity level.

	2022	2021	Change	Change
	\$M	\$M	\$M	%
Restricted funds	889.5	883.3	6.2	0.7
Reserves	866.3	786.0	80.3	10.2
Retained earnings	4,770.3	4,478.2	292.1	6.5
Total equity	6,526.1	6,147.5	378.6	6.2

The three major components of total equity were as follows.

- **Restricted funds**, which total \$889.5 million at 31 December 2022 (2021: \$883.3 million). These are funds with a capital preservation obligation and are quarantined from use to support the University's day-to-day operations.
- **Reserves**, which largely comprise non-cash revaluation adjustments for the University's land and heritage assets. In 2022, there was a net increase of \$80.3 million in the reserves, which arose primarily from the revaluation of commercial properties and heritage assets.
- **Retained earnings** of the University stand at \$4,770.3 million, made up of the initial revaluation reserve of \$1,660.5 million created in 1992 (when the NSW Government transferred the land and buildings to the University), together with the cumulative net operating surpluses generated, excluding reserves, in the periods up to 31 December 2022.

5. Operating statement

	2022 Budget \$'M	2022 Forecast \$'M	2022 Actual \$'M	2023 Budget \$'M
Revenue and income from continuing operations				
Australian Government financial assistance				
Australian Government grants	742.8	753.9	746.2	728.4
HELP - Australian Government payments	290.0	275.1	274.2	290.5
State and local government financial assistance	43.0	43.4	46.6	46.9
Fees and charges	1,395.3	1,534.9	1,543.1	1,578.7
HECS-HELP - student payments	38.4	36.6	36.4	39.6
Investment revenue	128.4	0.1	27.9	205.6
Consultancy and contracts	147.5	148.9	165.8	160.7
Royalties, trademarks and licences	2.8	3.7	3.9	2.5
Other revenue	162.8	151.5	151.1	166.4
Gains/(losses) on disposal of assets	-	6.0	(73.1)	-
Total income from continuing operations	2,951.0	2,954.1	2,922.1	3,219.2
Expenses from continuing operations				
Employee related expenses	1,598.8	1,512.0	1,533.9	1,672.4
Depreciation and amortisation	206.0	204.0	205.4	208.0
Repairs and maintenance	112.4	94.9	67.4	112.0
Borrowing costs	39.6	34.2	30.5	31.4
Impairment of assets	9.2	6.0	4.3	4.3
Grant and scholarship expenses	136.4	137.4	123.4	185.8
Consultants	17.9	16.7	17.2	26.6
Externally sourced services	121.9	111.7	114.7	173.9
Teaching and research grants	184.1	192.7	169.7	174.6
Other expenses	373.4	365.7	357.1	379.4
Total expenses from continuing operations	2,799.6	2,675.2	2,623.6	2,968.3
Operating result before income tax	151.4	278.9	298.5	250.9
Income tax benefit/(expense)	-	-	-	-
Operating result after income tax	151.4	278.9	298.5	250.9
Net result attributable to members of the University of Sydney	151.4	278.9	298.5	250.9

Notes:

1. Gains/(losses) on disposal of assets.
2. The approved budget/forecast, where possible, has been adjusted above to take account of the year end presentation of accounting adjustments, including fixed asset purchases and depreciation, to provide a meaningful comparison.

6. Investments and investment performance

The Long-Term Fund (LTF) returned 2.2 percent in 2022, (after external manager fees). The portfolio benefited from its equity positioning in private markets, along with its systematic approach to currency, which meant the portfolio was well exposed to the US dollar throughout much the year.

Long-Term Fund (LTF)

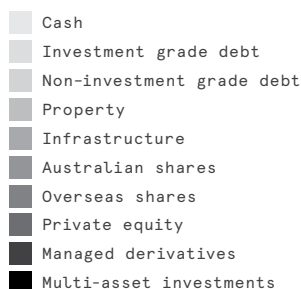
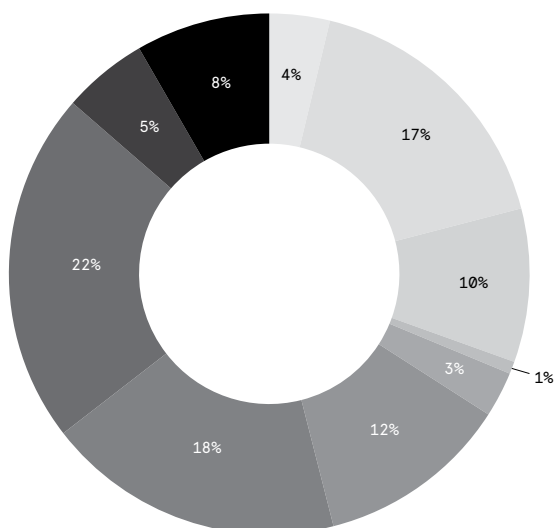
Value as at 31 December 2022:
\$2,768.09 million

Cash flow objective:
4.5 percent per annum

Capital objective:
Consumer Price Index (real terms capital preservation)

Total return objective:
Consumer Price Index + 4.5 percent after fees

Long-Term Fund Asset Allocation as at end December 2022



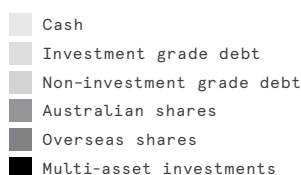
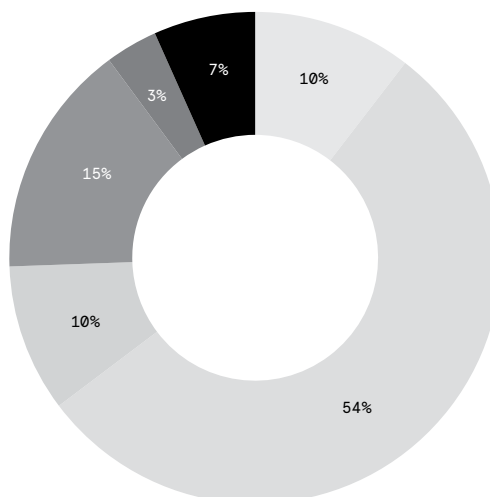
The University's Medium-Term Fund (MTF) generated a return of 0.5 percent (after external manager fees) for 2022, despite a near 10 percent fall in Australian bonds over the same period. Preserving capital for the fund was a key priority in 2022.

Medium-Term Fund (MTF)

Value as at 31 December 2022:
\$103.17 million

Total return objective:
Bloomberg AusBond Bank Bill + 1.5 percent after all fees

Medium-Term Fund Asset Allocation as at end December 2022



7. Creditor's payment performance

2022 quarter	March		June		September		December	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Percentage of accounts paid on time:								
By number of invoices	81%	80%	81%	80%	84%	80%	89%	80%
By value of invoices	88%	80%	81%	80%	88%	80%	90%	80%
Amount of accounts paid on time (excluding investments)	\$209M		\$199.4M		\$270.8M		\$428.4M	
Total amount of accounts paid (excluding investments)	\$238.2M		\$246.4M		\$306.9M		\$473.3M	

Performance excludes time delay factors attributed to invoices receipted directly by the business unit.

8. Summary of land owned by the University

Land use

	2022 \$M	2021 \$M	Change \$M	Change %
Teaching and research land	182.9	188.3	(5.4)	(2.9)
Student accommodation	108.4	103.0	5.4	5.2
Commercial land	39.5	35.9	3.6	10.0
Investment land	407.9	373.5	34.4	9.2
Total land	738.7	700.7	38.0	5.4

Teaching and research land

The major teaching and research facilities of the University, located on the Camperdown and Darlington campuses in Sydney, cover a total of 51 hectares. The University has several teaching and research facilities in addition to these premises including:

- Brain and Mind Centre, Mallett Street, Camperdown
- Camden Campus (Faculty of Science)
- Australian Archaeological Institute at Athens and Thessaloniki, Greece
- University-owned and commercially operated farms throughout eastern Australia (covering a total area of approximately 10,174 hectares) which support the teaching and research activities of the Faculty of Science.

The University also occupies a number of sites on long-term leases, licences and agreements in New South Wales including:

- The Plant Breeding Institute at Narrabri and other field stations
- Facilities at University teaching and research hospitals

- Science facilities at the Australian Technology Park at Redfern
- Sydney Conservatorium of Music in central Sydney

Commercial farms

The University operates two commercial farms that support teaching and research activities. These farms – one located on the Liverpool Plains and the other in the Southern Highlands regions of New South Wales – are valued on a fair value basis. In addition, the University retains farmlands in close proximity to the Nancy Bird-Walton International Airport in Western Sydney.

Student housing

The University owns several accommodation properties in the vicinity of the Camperdown, Darlington, Cumberland, Nepean, Camden, and Lismore campuses.

9. Overseas travel

The University paid \$9.9 million for staff overseas travel in 2022 (2021: \$0.2 million). The \$9.7 million increase is driven by a return to pre-pandemic levels of travel activity as University staff recommenced attending symposia and conferences and meeting current and prospective international partners face to face again, as travel restrictions eased and borders re-opened.

10. Financial statements for subsidiaries

Please refer to note 29 of the Financial Statements for details of the University's subsidiaries.



INDEPENDENT AUDITOR'S REPORT

The University of Sydney

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of The University of Sydney (the University), which comprise the Statement by the Accountable Authority, the Responsible Entities' Declaration, the Income statement and Statement of comprehensive income for the year ended 31 December 2022, the Statement of financial position as at 31 December 2022, the Statement of changes in equity and the Statement of cash flows for the year then ended, notes comprising a Summary of significant accounting policies, the US Department of Education financial responsibility supplemental schedule (Note 38), and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the *Government Sector Finance Regulation 2018* (GSF Regulation)
- presents fairly, the financial position, financial performance and cash flows of the University and the consolidated entity
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* (the ACNC Act) and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2022. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters. I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter	How my audit addressed the matter
Fair value assessment of property, plant and equipment	
<p>At 31 December 2022, the University reported \$3.9 billion in property, plant and equipment.</p> <p>In 2022, the University:</p> <ul style="list-style-type: none"> revalued heritage assets valued at \$250,000 or more. Heritage assets totalled \$288 million at 31 December 2022 recorded a net revaluation increment of \$80.3 million (including \$13.2 million for heritage assets) at 31 December 2022. <p>I considered this to be a key audit matter because of the:</p> <ul style="list-style-type: none"> financial significance of property, plant and equipment to the University's financial position extent of significant management judgements underpinning key assumptions used in the valuation process judgement and complexities associated with the application of AASB 13 'Fair Value Measurement'. <p>Further information on the fair value measurement of property, plant and equipment is included in Note 17 'Property, plant and equipment' and Note 34 'Fair value measurement'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the competence, capability and objectivity of management's independent valuers assessed the accuracy and completeness of assets included in the revaluation assessed the appropriateness of the methodology used and the key assumptions and judgements adopted assessed material changes to useful lives agreed valuation amounts to the reported financial statement balances assessed the sufficiency and appropriateness of management's valuation against the requirements of applicable Australian Accounting Standards assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
Employee underpayment liabilities	
<p>At 31 December 2022, the University reported the following liabilities:</p> <ul style="list-style-type: none"> underpayment of professional and academic employees of \$9.9 million (included within the accrued expenses balance of \$119 million in Note 20 'Trade and other liabilities') underpayment of casual academic staff of \$15.0 million (included within Note 22 'Provisions'). <p>I considered this to be a key audit matter because of the extent of significant management judgements underpinning key assumptions used to estimate the liabilities.</p> <p>Further information on the liabilities is included in:</p> <ul style="list-style-type: none"> Note 1(d) 'Underpaid staff entitlement remediation accrual' Note 1(e) 'Potential Underclaimed Casual Staff Entitlement Remediation' 	<p>Key audit procedures for both matters included the following:</p> <ul style="list-style-type: none"> assessed the reasonableness of the methodology and key assumptions adopted in estimating the liabilities assessed the sufficiency and appropriateness of management's liability against the requirements of applicable Australian Accounting Standards assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards. <p>Additional key audit procedures performed for the professional and academic employee underpayments matter included the following:</p> <ul style="list-style-type: none"> obtained the underpayments calculation from management and assessed the completeness

Key Audit Matter

How my audit addressed the matter

- Note 20 'Trade and other liabilities'
- Note 22 'Provisions'.

- and mathematical accuracy of the data used in the calculation
- examined a sample of actual payments made to confirm their validity and accuracy.

Valuation of defined benefit superannuation and long service leave liabilities

At 31 December 2022, the University reported:

- defined benefit superannuation liabilities totalling \$1.2 billion
- employee long service leave liabilities totalling \$231 million.

I considered this to be a key audit matter because:

- the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position
- there is a risk the data used in the defined benefit superannuation and long service leave liability valuation models (the models) is not accurate and/or complete
- the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates and salary inflation
- the value of the liabilities is sensitive to minor changes in key valuation inputs.

Key audit procedures included the following:

- assessed the key controls supporting the data used in the models
- assessed the completeness and mathematical accuracy of the data used in the models
- obtained management's actuarial reports and year-end adjustments, and for defined benefit superannuation liabilities engaged a qualified actuary ('auditor's expert') to assess the:
 - competence, capability and objectivity of management's independent experts
 - appropriateness of the models
 - reasonableness of key assumptions used
 - reasonableness of the reported liability balances
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 22 'Provisions' and Note 28 'Defined benefit plans'.

Provision for building rectification

At 31 December 2022, the University reported a building rectification provision of \$45.9 million. The provision reflects the University's estimate of costs it expects to incur where it has a present obligation to rectify buildings with identified safety hazards.

I considered this to be a key audit matter because the recognition and measurement of the provision involved significant management judgements, assumptions and estimates.

Further information on the provision is disclosed in Note 22 'Provisions'.

Key audit procedures included the following:

- assessed the reasonableness of the methodology and key assumptions adopted in estimating the provision
- examined a sample of cost estimates for buildings where rectification issues had been identified to confirm management's basis of measurement
- examined a sample of actual costs incurred to confirm their validity and accuracy
- assessed the status of enforceable orders and correspondence from the relevant authorities
- examined evidence to support the recognition of a provision where management concluded the University has:
 - a legal obligation to address enforceable orders, or
 - a constructive obligation based on its intention to rectify and past actions in responding to similar hazards to student and staff safety

Key Audit Matter

How my audit addressed the matter

- assessed the sufficiency and appropriateness of the provision against the requirements of applicable Australian Accounting Standards
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Valuation of other financial assets (investments)

At 31 December 2022, the University held investments of \$2.7 billion measured at fair value. The University's investments are managed by external fund managers and a contracted services organisation.

I considered this to be a key audit matter because:

- of the significance of the balance to the University's financial position
- the University holds a portfolio of assets classified as 'level 3' according to the fair value hierarchy under Australian Accounting Standards (i.e. where significant unobservable inputs are used in the valuation). The University's Level 3 assets of \$10.3 million include unlisted unit trusts and unlisted equities. Assessing the fair value of these assets requires judgment as the valuation inputs are not based on observable market transactions or other readily available market data
- of the degree of judgement and estimation uncertainty associated with the valuation.

Key audit procedures included the following:

- evaluated the design of relevant key controls over investments, and assessed on a sample basis whether these controls were implemented effectively
- confirmed the existence and completeness of balances at 31 December 2022 with external counterparties
- obtained, for unit trust and equities assets, valuation confirmations directly from the external fund managers and assessed the reliability of the information received
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Further information on investments is included in Note 16 'Other financial assets' and Note 34 'Fair value measurement'.

Other Information

The University's annual report for the year ended 31 December 2022, includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Senate of the University are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Responsible Entities' Declaration.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

University Senate's Responsibilities for the Financial Statements

The Senate is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation, the ACNC Act and the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2022 Reporting Period'. The Senate's responsibilities also include such internal control as the Senate determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Senate is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at:

http://www.auasb.gov.au/auditors_responsibilities/ar5.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the University carried out its activities effectively, efficiently and economically
- as to the appropriateness of the certifications in the Statement by the Accountable Authority that the:
 - amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was granted, and the University has complied with applicable legislation, contracts, agreements, and program guidelines in making expenditure
 - University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HESA) and the Administration Guidelines made under HESA. Revenue from the fee was spent strictly in accordance with HESA and only on services and amenities specified in subsection 19-38(4) of the Act
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Margaret Crawford
Auditor-General for New South Wales

23 March 2023
SYDNEY



To the Vice-Chancellor
The University of Sydney

Auditor's Independence Declaration

As auditor for the audit of the financial statements of The University of Sydney for the year ended 31 December 2022, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Margaret Crawford'.

Margaret Crawford
Auditor-General for New South Wales

14 March 2023
SYDNEY

Professor Mark Scott AO,
Vice-Chancellor and President

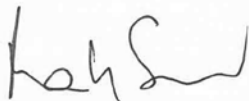
18 March 2023

RESPONSIBLE ENTITIES' DECLARATION

In accordance with a resolution of the Senate of The University of Sydney dated 4 February 1991, we state that in the responsible entities' opinion:

- a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



Professor Mark Scott AO
Vice-Chancellor and President



Karen Moses
Chair, Finance Committee

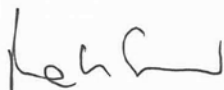
Professor Mark Scott AO,
Vice-Chancellor and President

18 March 2023

STATEMENT BY THE ACCOUNTABLE AUTHORITY

In accordance with a resolution of the Senate of The University of Sydney dated 4 February 1991 and section 7.6(4) of the *Government Sector Finance Act 2018* (the Act), we state that to the best of our knowledge and belief:

1. The financial statements present fairly The University of Sydney's (the University) financial position, financial performance and cash flows.
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2018*, the "Financial Statement Guidelines for Australian Higher Education Providers for the 2022 Reporting Period" issued by the Australian Government Department of Education.
3. We are not aware of any circumstances which would make any details included in the financial statements to be misleading or inaccurate.
4. There are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.
5. The amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was granted, and the University has complied with applicable legislation, contracts, agreements, and program guidelines in making expenditure.
6. The University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HESA) and the Administration Guidelines made under HESA. Revenue from the fee was spent strictly in accordance with HESA and only on services and amenities specified in subsection 19-38(4) of the Act.



Professor Mark Scott AO
Vice-Chancellor and President



Karen Moses
Chair, Finance Committee



THE UNIVERSITY OF
SYDNEY

2022 Annual Financial Statements

	Page
Financial statements	
Income statement	67
Statement of comprehensive income	68
Statement of financial position	69
Statement of changes in equity	70
Statement of cash flows	71
Notes to the financial statements	73

**The University of Sydney
Income statement
for the year ended 31 December 2022**

	Note	Economic entity (Consolidated)		Parent entity (University)	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	4(a)	746,155	832,262	746,155	832,262
HELP - Australian Government payments	4(b)	274,202	278,680	274,202	278,680
State and local government financial assistance	5	46,614	37,399	46,614	37,399
Fees and charges	6	1,543,087	1,475,296	1,543,087	1,475,296
HECS-HELP - student payments		36,427	34,113	36,427	34,113
Investment revenue	7	192,088	233,429	192,088	233,429
Consultancy and contracts	8	165,829	148,806	165,829	148,806
Royalties, trademarks and licences		3,870	4,642	3,870	4,642
Other revenue	9	151,101	154,094	151,101	154,094
Total revenue from continuing operations		3,159,373	3,198,721	3,159,373	3,198,721
(Loss)/gain on disposal of assets	10	(73,097)	99,554	(73,097)	99,554
Share of profit on investments accounted for using the equity method		3,511	1,646	0	0
Total other investment (loss)/ income	7	(164,163)	232,964	(164,163)	232,964
Total income from continuing operations		2,925,624	3,532,885	2,922,113	3,531,239
Expenses from continuing operations					
Employee-related expenses	11	1,533,943	1,451,059	1,533,943	1,451,059
Depreciation and amortisation	17/18	205,379	214,577	205,379	214,577
Repairs and maintenance		67,403	59,456	67,403	59,456
Borrowing costs		30,462	26,336	30,462	26,336
Impairment of assets		4,277	36,383	4,277	36,383
Grant and scholarship expenses		123,407	113,753	123,407	113,753
Consultants		17,196	21,009	17,196	21,009
Externally sourced services		114,691	85,105	114,691	85,105
Teaching and research grants		169,741	166,435	169,741	166,435
Other expenses	12	357,117	309,064	357,117	309,064
Total expenses from continuing operations		2,623,616	2,483,177	2,623,616	2,483,177
Net result before income tax from continuing operations		302,008	1,049,708	298,497	1,048,062
Less: Income tax (benefit)/expense		0	0	0	0
Net result after income tax from continuing operations		302,008	1,049,708	298,497	1,048,062
Net result attributable to members of The University of Sydney		302,008	1,049,708	298,497	1,048,062

The above income statement should be read in conjunction with the accompanying notes.

The University of Sydney
Statement of comprehensive income
for the year ended 31 December 2022

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net result after income tax from continuing operations		302,008	1,049,708	298,497	1,048,062
Items that will not be reclassified to profit or loss					
Gain on revaluation of property, plant and equipment	17	80,316	231,992	80,316	231,992
Other adjustments		0	(1,701)	0	(1,701)
Net actuarial gains/(losses) recognised in respect of defined benefit plans		(321)	6,209	(321)	6,209
Total		79,995	236,500	79,995	236,500
Total other comprehensive income		79,995	236,500	79,995	236,500
Total comprehensive income		382,003	1,286,208	378,492	1,284,562
Total comprehensive income attributable to members of The University of Sydney		382,003	1,286,208	378,492	1,284,562

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

The University of Sydney
Statement of financial position
as at 31 December 2022

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	1,426,272	1,381,785	1,426,272	1,381,785
Receivables and contract assets	14	214,638	290,012	214,638	290,012
Non-current assets held for sale	15	5,821	17,087	5,821	17,087
Other non-financial assets	19	47,435	38,814	47,435	38,814
Total current assets		1,694,166	1,727,698	1,694,166	1,727,698
Non-current assets					
Receivables and contract assets	14	1,088,340	1,355,618	1,088,340	1,355,618
Other financial assets	16	2,709,448	2,186,708	2,726,520	2,202,779
Property, plant and equipment	17	3,856,935	3,841,457	3,856,935	3,841,457
Intangible assets	18	166,872	169,241	160,743	163,112
Other non-financial assets	19	5,786	8,354	5,786	8,354
Investments accounted for using the equity method		26,082	21,570	0	0
Total non-current assets		7,853,463	7,582,948	7,838,324	7,571,320
Total assets		9,547,629	9,310,646	9,532,490	9,299,018
LIABILITIES					
Current liabilities					
Trade and other liabilities	20	873,686	755,498	873,686	755,498
Borrowings	21	12,323	13,834	12,323	13,834
Derivative financial instruments		15,074	188	15,074	188
Provisions	22	467,046	470,939	467,046	470,939
Total current liabilities		1,368,129	1,240,459	1,368,129	1,240,459
Non-current liabilities					
Borrowings	21	471,114	467,293	471,114	467,293
Provisions	22	1,167,179	1,443,690	1,167,179	1,443,690
Total non-current liabilities		1,638,293	1,910,983	1,638,293	1,910,983
Total liabilities		3,006,422	3,151,442	3,006,422	3,151,442
Net assets		6,541,207	6,159,204	6,526,068	6,147,576
EQUITY					
Parent entity interest					
Restricted funds*		889,516	883,355	889,516	883,355
Reserves	23	867,613	787,297	866,300	785,984
Retained earnings		4,784,078	4,488,552	4,770,252	4,478,237
Total equity		6,541,207	6,159,204	6,526,068	6,147,576

* Restricted funds are those funds with a capital preservation obligation.

The above statement of financial position should be read in conjunction with the accompanying notes.

The University of Sydney
Statement of changes in equity
for the year ended 31 December 2022

	Economic entity (Consolidated)			Parent entity (University)				
	Restricted funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Restricted funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
2021								
Balance at 1 January 2021	708,877	555,305	3,608,814	4,872,996	708,877	553,992	3,600,145	4,863,014
Net result after income tax from continuing operations	174,478	0	875,230	1,049,708	174,478	0	873,584	1,048,062
Gain on revaluation of property, plant and equipment	0	231,992	0	231,992	0	231,992	0	231,992
Actuarial gain/(loss) on defined benefit plans	0	0	6,209	6,209	0	0	6,209	6,209
Other adjustments	0	0	(1,701)	(1,701)	0	0	(1,701)	(1,701)
Total comprehensive income	174,478	231,992	879,738	1,286,208	174,478	231,992	878,092	1,284,562
Balance at 31 December 2021	883,355	787,297	4,488,552	6,159,204	883,355	785,984	4,478,237	6,147,576
2022								
Balance at 1 January 2022	883,355	787,297	4,488,552	6,159,204	883,355	785,984	4,478,237	6,147,576
Net result after income tax from continuing operations	6,161	0	295,847	302,008	6,161	0	292,336	298,497
Gain on revaluation of property, plant and equipment	0	80,316	0	80,316	0	80,316	0	80,316
Actuarial gain/(loss) on defined benefit plans	0	0	(321)	(321)	0	0	(321)	(321)
Total comprehensive income	6,161	80,316	295,526	382,003	6,161	80,316	292,015	378,492
Balance at 31 December 2022	889,516	867,613	4,784,078	6,541,207	889,516	866,300	4,770,252	6,526,068

The above statement of changes in equity should be read in conjunction with the accompanying notes.

The University of Sydney
Statement of cash flows
for the year ended 31 December 2022

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash flows from operating activities					
Australian Government grants		1,039,647	1,154,440	1,039,647	1,154,440
State and local government grants		49,746	46,654	49,746	46,654
HECS-HELP student payments		36,426	34,113	36,426	34,113
Receipts from student fees and other customers (inclusive of GST)		2,079,643	1,992,550	2,079,643	1,992,550
Dividends received		179,999	143,796	179,999	143,796
Interest received		30,407	7,251	30,407	7,251
Interest and other costs of finance		(18,234)	(22,116)	(18,234)	(22,116)
Payments for low value leases		(966)	(1,155)	(966)	(1,155)
Payments for employee-related expenses		(1,612,860)	(1,598,375)	(1,612,860)	(1,598,375)
Payments to suppliers (inclusive of GST)		(916,156)	(833,624)	(916,156)	(833,624)
Net cash provided by/(used in) operating activities	32	867,652	923,534	867,652	923,534
Cash flows from investing activities					
Proceeds from sale of financial assets		1,432,584	746,027	1,432,584	746,027
Proceeds from sale of property, plant and equipment and intangibles		20,594	104,776	20,594	104,776
Payments to acquire property, plant and equipment and intangibles		(153,592)	(96,239)	(153,592)	(96,239)
Payments for financial assets		(2,105,604)	(894,568)	(2,105,604)	(894,568)
Net cash provided by/(used in) investing activities		(806,018)	(140,004)	(806,018)	(140,004)
Cash flows from financing activities					
Repayment of borrowings		0	(200,000)	0	(200,000)
Payments of lease liabilities		(16,905)	(19,672)	(16,905)	(19,672)
Net cash provided by/(used in) financing activities		(16,905)	(219,672)	(16,905)	(219,672)
Net increase/(decrease) in cash and cash equivalents		44,729	563,858	44,729	563,858
Cash and cash equivalents at beginning of financial year		1,381,785	817,739	1,381,785	817,739
Effects of exchange rate changes on cash and cash equivalents		(242)	188	(242)	188
Cash and cash equivalents at end of the financial year	13	1,426,272	1,381,785	1,426,272	1,381,785

Financing facilities and balances

33(d)

The above statement of cash flows should be read in conjunction with the accompanying notes.

**The University of Sydney
Table of contents
for the year ended 31 December 2022**

Note	Contents of the notes to the financial statements	Page
1	Basis of preparation of the financial statements	73
2	Financial reporting impacts of COVID-19 and the war in Ukraine	74
	Revenue	
3	Revenue and income from continuing operations	75
4	Australian Government financial assistance including Australian Government loan programs (HELP)	77
5	State and Local Government financial assistance	77
6	Fees and charges	78
7	Investment revenue and income	78
8	Consultancy and contracts	79
9	Other revenue	79
10	(Loss)/gain on disposal of assets	79
	Expenses	
11	Employee-related expenses	80
12	Other expenses	80
	Assets	
13	Cash and cash equivalents	81
14	Receivables and contract assets	81
15	Non-current assets held for sale	83
16	Other financial assets	83
17	Property, plant, and equipment	85
18	Intangible assets	90
19	Other non-financial assets	91
	Liabilities	
20	Trade and other liabilities	92
21	Borrowings	93
22	Provisions	95
	Equity	
23	Reserves	97
	Disclosure notes	
24	Key management personnel disclosures	97
25	Remuneration of auditors	99
26	Commitments	99
27	Contingencies	99
28	Defined benefit plans	100
29	Related parties	105
30	Joint operations	105
31	Investments accounted for using the equity method	106
32	Reconciliation of net result after income tax from continuing operations to net cash provided by/ (used in) operating activities	107
33	Financial risk management	108
34	Fair value measurement	110
35	Events occurring after the balance sheet date	113
36	Other accounting policies	114
37	Acquittal of Australian Government financial assistance	115
38	US Department of Education financial responsibility supplemental schedule	119

1 Basis of preparation of the financial statements

The principal accounting policies adopted in the preparation of these financial statements are set out below and where applicable throughout the notes to the accounts. These can be identified in the text body as italicised text. These policies have been consistently applied, unless otherwise stated.

The principal address of The University of Sydney is: The University of Sydney, NSW, 2006.

The financial statements were authorised for issue, under the delegation of the Senate, on 18 March 2023.

(a) Basis of preparation

These financial statements represent the audited general purpose financial statements of The University of Sydney (the 'University'). They have been prepared on an accrual accounting basis in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the *Higher Education Support Act 2003* (Financial Statement Guidelines), the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018*, the *Australian Charities and Not-for-profits Commission Act 2012*, and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

These financial statements are financial statements for the consolidated entity comprising The University of Sydney and its controlled entities. They are presented in Australian dollars which is the University's functional and presentation currency.

The University of Sydney applies Tier 1 reporting requirements.

(i) Compliance with International Financial Reporting Standards (IFRS)

The University of Sydney is a not-for-profit entity and these financial statements have been prepared on that basis. Some requirements of the Australian Accounting Standards applicable to not-for-profit entities are inconsistent with IFRS.

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets (including derivative instruments) that have been measured at fair value through profit or loss, and certain classes of property, plant and equipment.

(iii) Critical accounting estimates

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in the preparation of the financial statements are described in the relevant accounting policy notes. These are listed below:

- i) Note 4 - Australian Government financial assistance
- ii) Note 5 - State and local government financial assistance
- iii) Note 8 - Consultancy and contracts
- iv) Note 17 - Property, plant and equipment
- v) Note 20 - Trade and other liabilities
- vi) Note 21 - Borrowings
- vii) Note 22 - Provisions
- viii) Note 28 - Defined benefit plans
- ix) Note 34 - Fair value measurement

(iv) Rounding amounts

Amounts in the financial statements and notes to the financial statements have, unless otherwise stated, been rounded to the nearest thousand dollars.

(v) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect to changes in presentation in the current year.

(vi) Foreign currency transactions and balances

Foreign currency transactions are translated into Australian currency at rates of exchange ruling at the dates of the transaction. Amounts receivable and payable in foreign currency at reporting date are translated at the rates of exchange ruling on that date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the income statement.

(vii) Income tax

The University is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

1 Basis of preparation of the financial statements (continued)

(b) Basis of consolidation

The consolidated financial statements represent the financial statements of the parent entity, being The University of Sydney, and the assets, liabilities and results of all entities it controlled in accordance with *AASB 10 Consolidated Financial Statements* at the end of or during the financial year, and are together referred to as the consolidated entity. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Controlled entities are consolidated from the date on which control is transferred to the University. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group entities are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the group.

A list of controlled entities is contained in Note 29(b) to the financial statements.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the Statement of financial position.

Cash flows are included in the Statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

(d) Underpaid Staff Entitlement Remediation Accrual

During the second quarter 2020, a review of employee wage and salary entitlements identified that certain employees covered by the University's Enterprise Agreement 2018-2021 (EA) were paid less than their correct entitlements in certain instances. While the review is continuing, as at 31 December 2022 the University has recognised an accrual for the remediation of the underpaid staff entitlements of \$9.9m (2021: \$21.2m). Remediation payments totalling \$5.0m (2021: \$10.9m) were made to affected staff during the year ended 31 December 2022.

The University has diligently reviewed payroll data for the 2014-2019 period for payment shortfalls, and for the impact of any continuing issues in 2020-2021 for which the University has a statutory obligation to report. The calculations of the salary payment shortfall involve a substantial volume of data, a high degree of complexity, interpretation, and estimation, and are subject to further analysis of prior periods and the Fair Work Ombudsman's ongoing investigation.

(e) Potential Underclaimed Casual Staff Entitlement Remediation

As part of the University's continuing Employee Payroll Review for the 2014-2021 period (refer to note 1(d) above), the University identified in 2022, a risk that casual staff work practices may diverge from the University's EA requirements. The University is undertaking a detailed review of casual academic work practices. If the review identifies instances of non-compliance with the EA, it is possible remediation payments may be required where payment errors are identified. The University estimates that the potential liability, subject to continuing investigation and quantification, is \$15m at 31 December 2022.

2 Financial reporting impacts of COVID-19 and the war in Ukraine

The COVID-19 pandemic continued to impact the University's financial performance in 2022, although that impact has been ameliorated by several significant factors that have contributed to the strong operating performance. The favourable operating result was driven by continuing strong international student fee income with growth in student enrolments since the Australian border opened and travel restrictions were lifted.

Investment performance during the year has been significantly impacted by market volatility. Further, whilst the COVID-19 pandemic has eased, the University is still dealing with the remaining impacts, such as disrupted supply chains, particularly in respect to large capital programs, professional and academic staff job vacancies, lower than expected COVID-19 recovery expenditures and slowly recovering academic travel, have all contributed to delayed and deferred expenditures during the year.

The war in Ukraine has further stimulated an already volatile economic environment globally, with impacts on commodity prices, especially in respect to energy prices, FX rates, interruption to supply chains, higher inflation and the possibility of a protracted economic downturn. Each of these impacts, jointly or severally, may continue to impact the University directly and indirectly.

3 Revenue and income from continuing operations

(a) Disaggregation of revenue and income from continuing operations (excluding investment revenue and other investment income)

Economic entity (Consolidated) and Parent entity (University)

The University derives revenue and income from:

	Australian Government financial assistance \$'000	State and local government financial assistance \$'000	Fees and charges \$'000	HECS-HELP - student payments \$'000	HECS-HELP Government payments \$'000	Consultancy and contracts \$'000	Royalties, trademarks and licences \$'000	Donations and bequests \$'000	Other \$'000	Total revenue from contracts with customers \$'000	Total income of not-for- profit entities \$'000
Revenue and income streams											
Course fees and charges											
Domestic undergraduate students	0	0	1,829	36,427	188,397	0	0	0	0	226,653	0
Onshore overseas undergraduate students	0	0	661,503	0	0	0	0	0	0	661,503	0
Domestic postgraduate students	0	0	38,504	0	85,805	0	0	0	0	124,309	0
Onshore overseas postgraduate students	0	0	741,112	0	0	0	0	0	0	741,112	0
Continuing education	0	0	12,441	0	0	0	0	0	0	12,441	0
Other course fees and charges	0	0	21,697	0	0	0	0	0	0	21,697	0
Total course fees and charges	0	0	1,477,086	36,427	274,202	0	0	0	0	1,787,715	0
Research income	212,403	46,614	0	0	155,747	0	47,146	6,620	385,380	83,150	
Recurring government grants	495,853	0	0	0	0	0	0	0	14	495,839	
Non-course fees and charges	0	0	25,610	0	0	0	0	0	25,610	0	
Student residences	0	0	15,945	0	0	0	0	0	15,945	0	
Student amenities	0	0	24,446	0	0	0	0	0	24,446	0	
Total non-course fees and charges	0	0	66,001	0	0	0	0	0	66,001	0	
Other	0	0	0	0	0	0	3,870	0	3,870	0	
Royalties, trademarks and licences	37,899	0	0	0	10,082	0	28,050	69,285	56,490	88,826	
Other	37,899	0	0	0	10,082	3,870	28,050	69,285	60,360	88,826	
Total Other	226,409	41,749	1,543,087	36,427	274,202	143,758	3,870	28,589	2,299,470	0	
Total revenue from contracts with customers	519,746	4,865	0	0	22,071	0	73,817	47,316	0	667,815	
Total income of not-for-profit entities	746,155	46,614	1,543,087	36,427	274,202	165,829	3,870	75,196	2,299,470	667,815	

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

3 Revenue and income from continuing operations (continued)

	Economic entity (Consolidated) and Parent entity (University)										
	Australian Government financial assistance \$'000	State and local government financial assistance \$'000	Fees and charges \$'000	HECS-HELP student payments \$'000	HECS-HELP Government payments \$'000	Consultancy contracts and licences \$'000	Royalties, trademarks and bequests \$'000	Donations and bequests \$'000	Other customers \$'000	Total revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000
2021											
Revenue and income streams											
Course fees and charges											
Domestic undergraduate students	0	0	2,062	34,113	191,337	0	0	0	0	227,512	0
Onshore overseas undergraduate students	0	0	618,363	0	0	0	0	0	0	618,363	0
Domestic postgraduate students	0	0	38,652	0	87,343	0	0	0	0	125,995	0
Onshore overseas postgraduate students	0	0	736,000	0	0	0	0	0	0	736,000	0
Continuing education	0	0	10,226	0	0	0	0	0	0	10,226	0
Other course fees and charges	0	0	20,998	0	0	0	0	0	0	20,998	0
Total course fees and charges	0	0	1,425,301	34,113	278,680	0	0	0	0	1,739,094	0
Research income	201,373	37,399	0	0	0	142,302	0	40,819	6,870	338,697	90,066
Recurring government grants	597,456	0	0	0	0	0	0	0	0	359	597,097
Non-course fees and charges											
Student residences	0	0	11,384	0	0	0	0	0	0	11,384	0
Student amenities	0	0	15,964	0	0	0	0	0	0	15,964	0
Other	0	0	21,647	0	0	0	0	0	0	21,647	0
Total non-course fees and charges	0	0	48,995	0	0	0	0	0	0	48,995	0
Other											
Royalties, trademarks and licences	0	0	0	0	0	0	4,642	0	0	4,642	0
Other	33,443	0	0	0	0	6,504	0	37,042	69,363	50,942	95,400
Total Other	33,443	0	0	0	0	6,504	4,642	37,042	69,363	55,584	95,400
Total revenue from contracts with customers	208,086	31,814	1,475,296	34,113	278,680	119,312	4,642	1,362	29,424	2,182,729	0
Total income of not-for-profit entities	624,176	5,585	0	0	0	29,494	0	76,499	46,809	0	782,563
Total revenue and income	832,262	37,399	1,475,296	34,113	278,680	148,806	4,642	77,861	76,233	2,182,729	782,563

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

4 Australian Government financial assistance including Australian Government loan programs (HELP)

(a) Australian Government grants

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
Commonwealth Grant Scheme	37(a)	313,178	317,763	313,178	317,763
Other grants	37(a)	13,112	13,933	13,112	13,933
Research Training Program	37(c)	90,174	91,933	90,174	91,933
Research Support Program	37(c)	88,219	182,576	88,219	182,576
Australian Research Council	37(e)	46,951	41,516	46,951	41,516
National Health and Medical Research Council		78,755	77,936	78,755	77,936
Other Commonwealth research funding		91,441	83,139	91,441	83,139
Other Commonwealth non-research funding		24,325	23,466	24,325	23,466
Total Australian Government grants		746,155	832,262	746,155	832,262

(b) Higher Education Loan Programs

HECS-HELP		184,245	187,063	184,245	187,063
FEE-HELP		85,908	87,441	85,908	87,441
SA-HELP	37(h)	4,049	4,176	4,049	4,176
Total Higher Education Loan Programs	37(b)	274,202	278,680	274,202	278,680
Total Australian Government financial assistance		1,020,357	1,110,942	1,020,357	1,110,942

Research

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Research grants are considered to be within the scope of AASB 15 Revenue from Contracts with Customers if they meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor and the promises to transfer goods or services to the customer (or on behalf of the customer), and are sufficiently specific as the University has the obligation to provide:

- Comprehensive research findings during or after completion
- Access to research materials throughout the contract period to the grantor
- Publication of research data and results on an ongoing basis in an open access repository, if requested by the grantor
- A licence or transfer of intellectual property if requested by the grantor.

Depending on the nature of the promise, the University either recognises revenue at a point in time when the promise is delivered (e.g. when the research findings are published) or recognises revenue over time as the service is performed (e.g. as the customer obtains control of the intellectual property as it is created). Generally, research contract revenue is recognised over time using an input methodology, being expenditure incurred to date for the project.

There is no significant financing component as research contracts typically have a life span of less than three years on average. The consideration is mostly fixed without highly probable variable components.

Other Grants

Revenue recognition for other non-research funding noted above is determined by reference to the specific contract terms including enforceability and existence of sufficiently specific performance obligations. This funding has been determined to not meet this criteria and as a result the revenue is recognised upon receipt in accordance with AASB 1058 'Income of Not-for-Profit Entities'.

5 State and local government financial assistance

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-capital				
State government research grants	38,026	33,209	38,026	33,209
Other	8,588	4,190	8,588	4,190
Total non-capital	46,614	37,399	46,614	37,399
Capital				
Total capital	0	0	0	0
Total state and local government financial assistance	46,614	37,399	46,614	37,399

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

6 Fees and charges

	Note	Economic entity (Consolidated)		Parent entity (University)	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Course fees and charges					
Fee-paying onshore overseas students*		1,402,615	1,354,362	1,402,615	1,354,362
Continuing education		12,441	10,226	12,441	10,226
Fee-paying domestic postgraduate students		38,504	38,422	38,504	38,422
Fee-paying domestic undergraduate students		975	1,163	975	1,163
Students undertaking non-award courses		854	1,130	854	1,130
Other course fees and charges		21,697	20,997	21,697	20,997
Total course fees and charges		1,477,086	1,426,300	1,477,086	1,426,300
Other non-course fees and charges					
Student residences		25,610	11,384	25,610	11,384
Student Services and Amenities Fees from students	37(h)	15,945	15,964	15,945	15,964
Other non-course fees and charges		24,446	21,648	24,446	21,648
Total non-course fees and charges		66,001	48,996	66,001	48,996
Total fees and charges		1,543,087	1,475,296	1,543,087	1,475,296

* Note: Fee-paying onshore overseas students includes students that were temporarily located overseas due to the pandemic, but were enrolled in a course provided in Australia.

Student fees are recognised as revenue in the relevant session. Revenue from rendering services is recognised over time in the period in which the service is provided, having regard to the stage of completion of the service.

When the course or training has been paid in advance by students, or the University has received government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the service is provided.

Rental income from operating leases included in Other non-course fees and charges above is recognised on a straight-line basis over the lease term.

7 Investment revenue and income

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Distributions from managed funds	96,411	115,556	96,411	115,556
Dividends received*	65,270	110,622	65,270	110,622
Interest received	30,407	7,251	30,407	7,251
Total investment revenue	192,088	233,429	192,088	233,429
Change in fair value of financial assets designated at fair value through profit or loss**	(211,670)	211,748	(211,670)	211,748
Realised gain/(loss) on financial assets at fair value through profit or loss	47,507	21,216	47,507	21,216
Total other investment income/(loss)	(164,163)	232,964	(164,163)	232,964
Total investment income	27,925	466,393	27,925	466,393

Investment income is recognised as it is earned.

* Note: Dividend income of \$83.4m (including franking credits) arose from the distribution of IDP Limited shares and dividends paid by Education Australia Limited to the University in 2021.

** Note: The investment in Education Australia Limited was written down by \$50.1m to reflect the ex-dividend reduction in value of Education Australia Limited in 2021.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

8 Consultancy and contracts

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Consultancy	10,082	6,503	10,082	6,503
Contract research	155,747	142,303	155,747	142,303
Total consultancy and contracts	165,829	148,806	165,829	148,806

Consultancy revenue is recognised in the period in which the service is provided, having regard to the stage of completion of the service. Refer to Note 4(b) for the accounting policy on research funding.

9 Other revenue

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Bequests and donations	75,196	77,861	75,196	77,861
Contributions (external organisations)	34,638	36,174	34,638	36,174
Farms	4,553	9,868	4,553	9,868
Reimbursement income	10,863	9,260	10,863	9,260
Shop sales	2,668	2,395	2,668	2,395
Veterinary/medical practice income	6,479	7,120	6,479	7,120
Other revenue	16,704	11,416	16,704	11,416
Total other revenue	151,101	154,094	151,101	154,094

Other revenue is brought to account as it is earned and is recognised when the goods and services are provided. Bequests and donations are recognised on receipt as there are no enforceable contracts entered into or no sufficiently specific performance obligations between the University and the donor.

10 (Loss)/gain on disposal of assets

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Proceeds from sale	20,594	194,004	20,594	194,004
Write back of asset sale	(76,640)	0	(76,640)	0
Carrying amount of asset sold	(17,051)	(94,450)	(17,051)	(94,450)
Net gain/(loss) on disposal of assets	(73,097)	99,554	(73,097)	99,554

During 2021, parcels of land were compulsorily acquired by Transport for NSW and Sydney Water. The University recognised proceeds from sale of \$88.1m and a gain of \$38.5m, which was reflective of the offers received from those authorities at the time. In 2022, a write back of \$76.6m has been recognised as this is reflective of updated offers of compensation from those authorities, however, the final amount of compensation to be received is still yet to be determined.

See Note 14 for further discussion for the year ended 31 December 2022.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

11 Employee-related expenses

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Academic				
Salaries	577,344	562,455	577,344	562,455
Contributions to superannuation schemes				
Contributions to funded schemes	53,987	42,156	53,987	42,156
Contributions to unfunded schemes	44,596	47,911	44,596	47,911
Payroll tax	33,745	33,465	33,745	33,465
Workers' compensation	1,851	1,936	1,851	1,936
Long service leave expense	(3,735)	8,416	(3,735)	8,416
Annual leave	38,474	27,129	38,474	27,129
Termination payments	2,684	13,325	2,684	13,325
Total academic	748,946	736,793	748,946	736,793
Non-academic				
Salaries	602,960	551,433	602,960	551,433
Contributions to superannuation schemes				
Contributions to funded schemes	53,456	39,444	53,456	39,444
Contributions to unfunded schemes	44,158	44,829	44,158	44,829
Payroll tax	32,849	29,672	32,849	29,672
Workers' compensation	1,213	1,236	1,213	1,236
Long service leave expense	2,807	9,246	2,807	9,246
Annual leave	40,282	26,879	40,282	26,879
Termination payments	7,326	11,474	7,326	11,474
Total non-academic	785,051	714,213	785,051	714,213
Employee related expenses	1,533,997	1,451,006	1,533,997	1,451,006
Deferred employee benefits for superannuation*	(54)	53	(54)	53
Total employee related expenses	1,533,943	1,451,059	1,533,943	1,451,059

* Includes income of \$54k (2021: expense of \$53k) for the Professorial Superannuation Scheme. Refer to Note 22(c) for accounting policies on employee benefits.

12 Other expenses

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Advertising, marketing and promotional expenses	10,135	10,416	10,135	10,416
Asset retirements	5,511	13,494	5,511	13,494
Audit fees, bank charges, legal costs, insurance and taxes	20,870	17,576	20,870	17,576
Communications	11,095	10,315	11,095	10,315
Farm operations	14,233	15,573	14,233	15,573
Library materials	7,499	8,001	7,499	8,001
Laboratory, medical supplies and materials	34,412	23,771	34,412	23,771
Licences, patents, copyright and commissions	57,989	58,321	57,989	58,321
Non-capitalised equipment	30,819	25,284	30,819	25,284
Operating leases and rental expenses	966	1,156	966	1,156
Printing and stationary	12,269	9,842	12,269	9,842
Rents	4,319	7,477	4,319	7,477
Software licences	46,494	41,810	46,494	41,810
Travel, staff development and training	34,649	11,326	34,649	11,326
Utilities and rates	44,346	39,202	44,346	39,202
Other expenses	21,511	15,500	21,511	15,500
Total other expenses	357,117	309,064	357,117	309,064

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

13 Cash and cash equivalents

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	289,985	432,736	289,985	432,736
Short term deposits at call	1,101,419	918,199	1,101,419	918,199
Restricted cash	34,868	30,850	34,868	30,850
Total cash and cash equivalents in the Statement of financial position and Statement of cash flows*	1,426,272	1,381,785	1,426,272	1,381,785

As at 31 December 2022, the amount of cash and cash equivalents held by the University that was subject to capital preserved trust restrictions was \$34.9m (2021: \$30.9m).

* These are interest bearing at a variable average rate of 3.26% (2021: 0.25%).

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

14 Receivables and contract assets

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables [^]	74,430	146,232	74,430	146,232
Student fees and loans	26,600	15,782	26,600	15,782
Less: allowance for expected credit losses	(13,853)	(9,703)	(13,853)	(9,703)
Total trade receivables	87,177	152,311	87,177	152,311
Accrued income and other receivables [#]	33,851	44,303	33,851	44,303
Contract assets	81	263	81	263
Deferred government benefits for superannuation* 28(d)	93,529	93,135	93,529	93,135
Total other receivables	127,461	137,701	127,461	137,701
Total current receivables	214,638	290,012	214,638	290,012
Non-current				
Deferred government benefits for superannuation* 28(d)	1,079,584	1,345,188	1,079,584	1,345,188
Super Asset Plan (Professorial Superannuation System) 28(d)	8,456	10,128	8,456	10,128
Other receivables	300	302	300	302
Total non-current receivables	1,088,340	1,355,618	1,088,340	1,355,618

[^] Note: A receivable of \$11.5m (2021:\$88.1m) is currently outstanding relating to the compulsory acquisition of land by Transport for NSW and Sydney Water (see Note 10). The updated offer of compensation of \$11.5m is \$76.6m lower than that recognised by the University as at 31 December 2021 based on the original authority offers. Whilst the final amount of compensation is yet to be determined, based on the current available information and in accordance with the accounting standard AASB 15 'Revenue from Contracts with Customers', the University has recognised a reduction in the receivable of \$76.6m at 31 December 2022.

[#] Note: A franking credit receivable of \$0.0m (2021:\$25.0m) remained outstanding in respect to the distribution of IDP shares and dividends paid by Education Australia Limited (see Note 7).

*The University contributes to three superannuation schemes within the State Authorities Superannuation Trustee Corporation, see Note 28(f). These are subject to reimbursement arrangements under the *Higher Education Support Act 2003*, in the proportion of 78:22 between the Commonwealth and NSW governments respectively.

14 Receivables and contract assets (continued)

Trade receivables

As at 31 December 2022 current receivables with a nominal value of \$13.9m (2021: \$9.7m) were impaired.

The amount of the provision that relates to specific expected credit losses was \$12.5m (2021: \$9.1m). The individually impaired receivables mainly relate to private sector organisations' expected credit loss due to unexpected difficult economic situations.

The remaining provision of \$1.4m (2021: \$0.6m) is a provision for a portion of receivables over ninety days where it was assessed that this portion of the receivables is not expected to be recovered.

As at 31 December 2022 trade receivables of \$30.4m (2021: \$18.0m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Under 3 months	20,046	12,413	20,046	12,413
3 to 6 months	5,867	4,279	5,867	4,279
6 to 12 months	4,358	1,127	4,358	1,127
Over 12 months	149	149	149	149
Total past due but not impaired receivables	30,420	17,968	30,420	17,968

Set out below are the movements in the allowance for expected credit losses of trade receivables and contract assets:

At 1 January	9,703	7,854	9,703	7,854
Provision for expected credit losses	4,272	1,937	4,272	1,937
Receivables written off	(122)	(88)	(122)	(88)
At 31 December	13,853	9,703	13,853	9,703

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost using the effective interest rate method less allowance for expected credit losses.

Impairment

Because of the short-term nature of trade receivables and contract assets the University applies a simplified approach in calculating expected credit losses. The University does not track changes in credit risk on an individual basis, but instead recognises a loss allowance based on lifetime expected credit losses for trade receivables on a collective basis at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted where necessary for forward-looking factors specific to the debtor and the economic environment.

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Contract assets				
Contract assets - current	81	263	81	263

A contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditional on something other than the passage of time.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

15 Non-current assets held for sale

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-current assets held for sale	5,821	17,087	5,821	17,087
Total non-current assets held for sale	5,821	17,087	5,821	17,087

In the year ended 31 December 2022, the University classified some land and buildings as non-current assets held for sale in accordance with *AASB 5 Non-current Assets Held for Sale and Discontinued Operations*. These assets are measured at the lower of their carrying amounts and fair values less cost to sell, at year end. Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

16 Other financial assets

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Non-current				
Other financial assets at fair value through profit or loss				
Listed securities	280,547	321,245	280,547	321,245
External fund managers*	2,249,142	1,809,710	2,249,142	1,809,710
Floating rate notes	164,959	45,883	164,959	45,883
Convertible notes	8,300	2,702	8,300	2,702
Shares in unlisted companies	4,690	4,487	21,762	20,558
Total non-current other financial assets at fair value through profit or loss	2,707,638	2,184,027	2,724,710	2,200,098
Financial assets at amortised cost				
Loans receivable	1,810	2,681	1,810	2,681
Total non-current other financial assets at amortised cost	1,810	2,681	1,810	2,681
Total non-current other financial assets	2,709,448	2,186,708	2,726,520	2,202,779
Total other financial assets	2,709,448	2,186,708	2,726,520	2,202,779

* Includes unlisted managed investment schemes, unlisted partnerships and unlisted equities.

Restricted other financial assets

As at 31 December 2022, the University of Sydney held financial assets subject to restrictions of \$803.6m (2021: \$824.5m). These amounts relate to donations and bequests from donors for the purpose of funding research, scholarships and prizes.

16 Other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets which do not meet the objective of the University's business model for managing financial assets, or are not held to collect contractual cash flows, are measured at fair value through profit or loss. Financial assets at fair value through profit or loss principally comprise marketable securities, unit trusts and debt instruments. They are included in non-current assets unless the maturity date of the asset is within twelve months of the reporting date. Financial assets at fair value through profit or loss are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in the Income statement. Transaction costs incurred in the acquisition of financial assets at fair value through profit or loss are recognised as expenses in net profit in the period in which they are incurred.

If the University reclassifies these assets, their fair value is determined at reclassification date. Any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in the Income statement.

Financial assets at amortised cost

Financial assets at amortised cost held for the objective of collecting contractual cash inflows on specific dates are generally in the form of principal and/or interest. They are subsequently measured using the effective interest method net of any impairment loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. When a financial asset at amortised cost is reclassified, its fair value at the reclassification date becomes its new carrying amount.

Impairment of financial assets

The University recognises an allowance for expected credit losses (ECLs) for all debt instruments other than receivables not held at fair value through profit or loss. ECLs are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the University expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a twelve-month ECL). For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Loans, together with the ECL, are written off when there is no realistic prospect of future recovery. If in a subsequent year, the amount of the estimated impairment loss changes, the ECL amount is adjusted. If a write-off is later recovered, the recovery is credited to borrowing costs in the Income statement.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the University's consolidated Statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The University has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

17 Property, plant and equipment

Parent entity (University)/ Economic entity (Consolidated)	Teaching and research land \$'000	Teaching and research building \$'000	Teaching and research infrastructure \$'000	Commercial land \$'000	Commercial building \$'000	Commercial infrastructure \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Work in progress \$'000	Heritage assets \$'000	Library collections \$'000	Subtotal property, plant and equipment (owned) \$'000	Right-of- use assets (ROU) \$'000	Total \$'000
At 1 January 2022														
Cost	188,326	2,120,729	202,519	0	0	0	1,168,425	54,843	191,140	0	546,778	4,472,760	253,627	4,726,387
Valuation	0	0	0	512,331	293,880	3,333	0	0	0	274,261	0	1,083,805	0	1,083,805
Accumulated depreciation and impairment	0	(636,267)	(81,407)	0	0	0	(675,651)	(19,294)	0	0	(493,004)	(1,905,623)	(63,112)	(1,968,735)
Net book amount	188,326	1,484,462	121,112	512,331	293,880	3,333	492,774	35,549	191,140	274,261	53,774	3,650,942	190,515	3,841,457
Year ended 31 December 2022														
Cost and valuation:														
Additions	200	470	0	0	0	0	33,946	0	77,966	2,282	802	115,666	14,680	130,346
Transfer from work in progress	0	116,145	0	0	0	0	31,046	0	(151,427)	0	0	(4,236)	0	(4,236)
Donations	0	0	0	0	0	0	0	0	0	1,490	0	1,490	0	1,490
Asset disposals	0	0	0	0	0	0	(579)	0	0	0	0	(579)	0	(579)
Asset retirements	0	(21,700)	0	0	0	0	(14,864)	(1,842)	0	(2,528)	0	(40,934)	0	(40,934)
Held for sale transfer	(5,660)	(161)	0	0	0	0	0	0	0	0	0	(5,821)	0	(5,821)
Impairment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revaluation increment/(decrement)	0	0	0	43,504	23,228	319	0	0	0	13,265	0	80,316	0	80,316
Non-capitalisable costs	0	0	0	0	0	0	0	0	337	0	0	337	0	337
Restatement/retirement of ROU	0	0	0	0	0	0	0	0	0	0	0	0	(17,613)	(17,613)
Make good assets	0	0	0	0	0	0	0	0	0	0	0	0	5,313	5,313
Transfers/reategorisation	0	0	0	0	(8,385)	(79)	0	0	(3,505)	0	0	(11,969)	0	(11,969)
Depreciation														
Depreciation	0	(51,284)	(4,261)	0	(8,448)	(79)	(96,809)	(296)	0	0	(1,398)	(162,575)	(16,968)	(179,543)
Write back accumulated depreciation on asset:														
Disposals	0	0	0	0	63	0	551	0	0	0	0	614	0	614
Retirements	0	21,688	0	0	0	0	13,488	1,842	0	0	0	37,018	0	37,018
Restatement/retirement of ROU	0	0	0	0	0	0	0	0	0	0	0	0	12,275	12,275
Transfers/reategorisation	0	0	0	0	8,385	79	0	0	0	0	0	8,464	0	8,464
Closing net book amount	182,866	1,549,620	116,851	555,835	308,723	3,573	459,553	35,253	114,511	288,770	53,178	3,668,733	188,202	3,856,935
At 31 December 2022														
Cost	182,866	2,215,483	202,519	0	0	0	1,217,974	53,001	114,511	0	547,580	4,533,934	256,007	4,789,941
Valuation	0	0	0	555,835	308,723	3,573	0	0	0	288,770	0	1,156,901	0	1,156,901
Accumulated depreciation and impairment	0	(665,863)	(85,668)	0	0	0	(758,421)	(17,748)	0	0	(494,402)	(2,022,102)	(67,805)	(2,089,907)
Net book amount	182,866	1,549,620	116,851	555,835	308,723	3,573	459,553	35,253	114,511	288,770	53,178	3,668,733	188,202	3,856,935

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

17 Property, plant and equipment (continued)

Parent entity (University)/ Economic entity (Consolidated)	Teaching and research land \$'000	Teaching and research building \$'000	Teaching and research infrastructure \$'000	Commercial land \$'000	Commercial building \$'000	Commercial infrastructure \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Work in progress \$'000	Heritage assets \$'000	Library collections \$'000	Subtotal property, plant and equipment (owned) \$'000	Right-of- use assets (ROU) \$'000	Total \$'000
At 1 January 2021														
Cost	182,666	2,070,797	202,545	0	0	0	1,087,071	54,843	349,252	0	545,975	4,493,149	251,401	4,744,550
Valuation	0	0	0	395,592	307,826	3,369	0	0	0	262,243	0	969,030	0	969,030
Accumulated depreciation and impairment	0	(622,043)	(77,148)	0	0	0	(589,521)	(19,235)	0	0	(491,493)	(1,799,440)	(54,235)	(1,853,675)
Net book amount	182,666	1,448,754	125,397	395,592	307,826	3,369	497,550	35,608	349,252	262,243	54,482	3,662,739	197,166	3,859,905
Year ended 31 December 2021														
Cost and valuation:														
Additions	0	0	0	0	0	0	45,521	0	41,843	198	803	88,365	18,339	106,704
Transfer from work in progress	0	128,167	0	0	915	0	48,851	0	(181,606)	0	0	(3,673)	0	(3,673)
Donations	5,660	165	0	0	0	0	0	0	0	221	0	6,046	0	6,046
Asset disposals	0	0	0	(82,668)	(10,719)	0	(582)	0	0	0	0	(93,969)	0	(93,969)
Asset retirements	0	(11,822)	0	0	0	0	(9,870)	0	0	(10)	0	(21,702)	(13,424)	(35,126)
Held for sale transfer	0	0	0	(13,005)	(4,082)	0	0	0	0	0	0	(17,087)	0	(17,087)
Impairment	0	(66,561)	(26)	0	0	0	(1,180)	0	0	0	0	(67,767)	0	(67,767)
Revaluation increment/(decrement)	0	0	0	212,785	7,556	42	0	0	0	11,609	0	231,992	0	231,992
Non-capitalisable costs	0	0	0	0	0	0	0	0	(12,047)	0	0	(12,047)	0	(12,047)
Restatement/retirement of ROU	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Make good assets	0	0	0	0	0	0	0	0	0	0	0	0	2,513	2,513
Writeback of accumulated depreciation (revaluation)	0	0	0	0	(8,388)	(78)	0	0	0	0	0	(8,466)	0	(8,466)
Transfers/re-categorisation	0	(17)	0	(373)	772	0	(1,386)	0	(6,302)	0	0	(7,306)	0	(7,306)
Depreciation														
Depreciation	0	(50,136)	(4,262)	0	(8,649)	(78)	(95,628)	(59)	0	0	(1,511)	(160,323)	(21,852)	(182,175)
Write back accumulated depreciation on asset:														
Disposals	0	0	0	0	261	0	397	0	0	0	0	658	0	658
Retirements	0	4,608	0	0	0	0	8,277	0	0	0	0	12,885	12,323	25,208
Restatement of ROU assets	0	0	0	0	0	0	0	0	0	0	0	0	652	652
Impairment (transfer to cost)	0	31,304	3	0	0	0	824	0	0	0	0	32,131	0	32,131
Revaluation (transfer to cost)	0	0	0	0	8,388	78	-	0	0	0	0	8,466	0	8,466
Closing net book amount	188,326	1,484,462	121,112	512,331	293,880	3,333	492,774	35,549	191,140	274,261	53,774	3,650,942	190,515	3,841,457
At 31 December 2021														
Cost	188,326	2,120,729	202,519	0	0	0	1,168,425	54,843	191,140	0	546,778	4,472,760	253,627	4,726,387
Valuation	0	0	0	512,331	293,880	3,333	0	0	0	274,261	0	1,083,805	0	1,083,805
Accumulated depreciation and impairment	0	(636,267)	(81,407)	0	0	0	(675,651)	(19,294)	0	0	(493,004)	(1,905,623)	(63,112)	(1,968,735)
Net book amount	188,326	1,484,462	121,112	512,331	293,880	3,333	492,774	35,549	191,140	274,261	53,774	3,650,942	190,515	3,841,457

17 Property, plant and equipment (continued)

Non-commercial assets

In accordance with AASB 116 Property, Plant and Equipment, the University has chosen to apply the cost model to value its plant and equipment, library collections and non-commercial teaching and research land, buildings and infrastructure. Cost includes expenditure directly attributable to acquisition of items. After recognition, this class of assets is carried at cost less any accumulated depreciation and any accumulated impairment losses. Non-commercial land, buildings and infrastructure are identified as assets that are subject to specific restrictions; for example, land grants, zoned specific use and specific contractual arrangements.

Commercial land, buildings and infrastructure

These are measured using the revaluation model. After recognition, this class of assets is recorded at fair value and carried at a revalued amount, being the fair value at the date of the revaluation, less any subsequent accumulated depreciation. Under the revaluation model, revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from the value determined using fair value at the reporting date. At the date of revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the assets and the net amount restated to the revalued amount of the assets.

Commercial teaching and research land, buildings, and infrastructure are externally valued every year with a formal valuation occurring every three years. A full revaluation was performed as at 31 December 2021 with the next formal valuation to be undertaken at 31 December 2024. Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation increment/(decrement). To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the Income statement.

Heritage assets

Heritage assets are also measured using the revaluation model. Valuations for the University's heritage assets are performed on a cyclical basis by independent valuers.

Works in progress

Works in progress represent the cost of unoccupied and incomplete building projects and other major capital works projects at reporting date. It also includes the costs of major information technology systems developments that had not been implemented as at the reporting date.

Leasehold improvements

Leasehold improvements are capitalised and amortised over the shorter of their useful life or the remaining life of the lease.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. Repairs and maintenance costs are charged to the Income statement during the financial period in which they are incurred, except where they relate to the replacement of a component of an asset, in which case the carrying amount of those parts that are replaced is derecognised and the cost of the replacing part is capitalised if the recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Asset sales

Net realised gains/(losses) are included as income/(expenses) when control of the asset passes to the buyer.

17 Property, plant and equipment (continued)

Depreciation

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Land is not depreciated. Depreciation is calculated on a straight-line basis. The depreciation rates are based on the estimated useful lives of the various classes of assets employed. Pro-rata depreciation is charged in the year of purchase and disposal. Depreciation rates by class of assets are as follows:

	2022	2021
Plant and equipment	10%-25%	10%-25%
Buildings and infrastructure	2%	2%
Leasehold improvements*	Various	Various
Library collections	10%	10%
Right-of-use assets*	Various	Various

* Amortisation rates applied to leasehold improvements and right-of-use assets are based on the term of the lease or the useful life, whichever is lower. The amortisation rates applied to leasehold improvements in respect of make good are based on the estimated period in which the make good will occur.

Right-of-use assets

The leases that the University has entered into as lessee are represented in three broad categories being property, equipment and motor vehicles.

Economic entity (Consolidated)/Parent entity (University)

	Property \$'000	Motor Vehicles \$'000	Equipment \$'000	Total \$'000
2022				
At 1 January 2022	190,456	59	0	190,515
Retirement	(4,872)	(467)	0	(5,338)
Additions including WIP transfer	14,579	102	0	14,680
Make good asset movement	5,313	0	0	5,313
Depreciation charge	(17,291)	323	0	(16,968)
At 31 December 2022	188,185	17	0	188,202
2021				
At 1 January 2021	193,960	289	2,917	197,166
Restatement	5,273	(15)	(2,093)	3,165
Retirement	(982)	0	(119)	(1,101)
Additions including WIP transfer	18,339	0	0	18,339
Make good asset movement	(5,202)	0	0	(5,202)
Depreciation charge	(20,932)	(215)	(705)	(21,852)
At 31 December 2021	190,456	59	0	190,515

Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payment made, or before the commencement date, less any incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the University is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The University has made a number of contributions to secure access to properties for up to 60 years. These contributions are amortised over the life of the access right.

17 Property, plant and equipment (continued)

Right-of-use assets (continued)

Assessment of whether a contract is, or contains, a lease

At inception of a contract, the University assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The University assesses whether:

- (a) The contract involves the use of an identified asset. The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset if the supplier has the substantive right to substitute the asset throughout the period of use.*
- (b) The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.*
- (c) The customer has the right to direct the use of the asset throughout the period of use. The customer is considered to have the right to direct the use of the asset only if either:*
 - i) The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or*
 - ii) The relevant decisions about how and for what purposes the asset is used are predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.*

Accounting for leases - University as lessee

In contracts where the University is a lessee, the University recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

Concessionary and peppercorn leases

The University has a limited number of concessionary leases (leased assets that arise from significantly below market leases) where an election has been made to measure the right-of-use assets at initial recognition at cost in accordance with AASB 16 Leases. The University does not have any dependence on these concessionary leases to operate the University and as such has not disclosed any further information in relation to them.

Accounting for leases - University as lessor

The University recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

18 Intangible assets

2022

	Economic entity (Consolidated)				Parent entity (University)			Total \$'000
	Computer software \$'000	Other intangibles \$'000	Digitised library collections \$'000	Goodwill on consolidation \$'000	Computer software \$'000	Other intangibles \$'000	Digitised library collections \$'000	
At 1 January 2022								
Cost	130,429	4,055	186,999	6,129	130,429	4,055	186,999	321,483
Accumulated amortisation and impairment	(113,585)	(1,845)	(42,941)	0	(113,585)	(1,845)	(42,941)	(158,371)
Net book amount	16,844	2,210	144,058	6,129	16,844	2,210	144,058	163,112
Year ended 31 December 2022								
Additions	193	0	20,633	0	193	0	20,633	20,826
Transfer from work in progress	4,236	0	0	0	4,236	0	0	4,236
Asset retirements	(12,554)	0	0	0	(12,554)	0	0	(12,554)
Amortisation								
Amortisation charge	(7,702)	(167)	(17,967)	0	(7,702)	(167)	(17,967)	(25,836)
Writeback accumulated amortisation on retirements	10,959	0	0	0	10,959	0	0	10,959
Closing net book amount	11,976	2,043	146,724	6,129	11,976	2,043	146,724	160,743
At 31 December 2022								
Cost	122,304	4,055	207,632	6,129	122,304	4,055	207,632	333,991
Accumulated amortisation and impairment	(110,328)	(2,012)	(60,908)	0	(110,328)	(2,012)	(60,908)	(173,248)
Net book amount	11,976	2,043	146,724	6,129	11,976	2,043	146,724	160,743

2021

	Economic entity (Consolidated)				Parent entity (University)			Total \$'000
	Computer software \$'000	Other intangibles \$'000	Digitised library collections \$'000	Goodwill on consolidation \$'000	Computer software \$'000	Other intangibles \$'000	Digitised library collections \$'000	
At 1 January 2021								
Cost	142,468	4,055	167,233	6,129	142,468	4,055	167,233	313,756
Accumulated amortisation and impairment	(110,394)	(1,678)	(26,832)	0	(110,394)	(1,678)	(26,832)	(138,904)
Net book amount	32,074	2,377	140,401	6,129	32,074	2,377	140,401	174,852
Year ended 31 December 2021								
Additions	192	0	19,766	0	192	0	19,766	19,958
Transfer from work in progress	3,673	0	0	0	3,673	0	0	3,673
Transfers and recategorisation	1,708	0	0	0	1,708	0	0	1,708
Asset retirements	(17,612)	0	0	0	(17,612)	0	0	(17,612)
Amortisation								
Amortisation charge	(16,126)	(167)	(16,109)	0	(16,126)	(167)	(16,109)	(32,402)
Write back accumulated depreciation on retirements	12,935	0	0	0	12,935	0	0	12,935
Closing net book amount	16,844	2,210	144,058	6,129	16,844	2,210	144,058	163,112
At 31 December 2021								
Cost	130,429	4,055	186,999	6,129	130,429	4,055	186,999	321,483
Accumulated amortisation and impairment	(113,585)	(1,845)	(42,941)	0	(113,585)	(1,845)	(42,941)	(158,371)
Net book amount	16,844	2,210	144,058	6,129	16,844	2,210	144,058	163,112

18 Intangible assets (continued)

Goodwill

Goodwill represents the excess of the fair value measurement of consideration transferred in an acquisition over the fair value of the University's share of the net identifiable assets of the acquiree at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Computer software

Major computer software is recorded at historic cost less accumulated amortisation, and where applicable any impairment losses. Amortisation is provided on a straight-line basis at a rate of 14.29%.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the University with the right to access the provider's application software over the contract period. As such the University does not recognise a software intangible asset at the contract commencement date.

Costs incurred in service provider selection, implementation training, data conversion and post implementation operations are expensed.

Costs incurred in customising (where the provider does not obtain IP rights) or developing links to other systems may be capitalised.

Digitised library collections

The digitised library collection (items for which the University holds a perpetual licence and are not expected to be subject to technical obsolescence or incur maintenance costs) is amortised over 10 years with 10% residual value.

Other intangible assets

Other intangible assets include the right to use assets that have been purchased, developed and/or implemented.

Disposal

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from the use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Income statement.

19 Other non-financial assets

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Prepaid expense	46,318	37,697	46,318	37,697
Inventories	1,117	1,117	1,117	1,117
Total current other non-financial assets	47,435	38,814	47,435	38,814
Non-current				
Livestock				
Balance 1 January	8,354	6,741	8,354	6,741
Purchases and natural increase/revaluation	35	2,795	35	2,795
Sales and natural decrease	(2,603)	(1,182)	(2,603)	(1,182)
Total livestock	5,786	8,354	5,786	8,354
Total non-current other non-financial assets	5,786	8,354	5,786	8,354
Total other non-financial assets	53,221	47,168	53,221	47,168

The University values its livestock assets at fair value less the estimated costs to sell.

The University recognises a prepayment as an asset when payments for goods and services have been made in advance of the University obtaining a right to access those goods or services.

20 Trade and other liabilities

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Trade payables	75,943	65,579	75,943	65,579
OS-HELP liability to Australian Government	6,027	10,731	6,027	10,731
Prepaid income	172,372	147,750	172,372	147,750
Other financial liabilities	19,770	18,727	19,770	18,727
Contract liabilities	480,711	411,352	480,711	411,352
Accrued expenses	118,863	101,359	118,863	101,359
Total trade and other liabilities	873,686	755,498	873,686	755,498

Foreign currency risk

The total trade and other liabilities of the economic entity shown above includes \$6.9m (2021: \$0.7m) denominated in currencies other than Australian dollars.

Trade and other liabilities, including accruals not yet billed, represent liabilities for goods and services provided to the economic entity prior to the end of the reporting period which are unpaid. These amounts are unsecured and are usually settled within 30 days of recognition.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the University has received consideration from the customer. If a customer pays consideration before the University transfers the goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the University performs its obligations under the contract.

The unsatisfied performance obligations are expected to be satisfied within the next twelve months and therefore have been classified as current.

Revenue recognised in the reporting period that was included in the contract liability balance at start of the year was \$384.7m (2021: \$100.9m).

Transfers to enable acquisition or construction of a recognisable non-financial asset

A contract liability is also recognised where the University receives a transfer to enable the acquisition or construction of a recognisable non-financial asset. A transfer of a financial asset to enable the University to acquire or construct a recognisable non-financial asset for its own use is one that:

- a) *requires the University to use that financial asset to acquire or construct a non-financial asset to identified specifications*
- b) *does not require the University to transfer the non-financial asset to the transferor or other parties; and*
- c) *occurs under an enforceable agreement.*

The University recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income in the Income statement as it satisfies its obligations under the transfer. The income related to the construction of buildings is recognised over time as and when the building is acquired or constructed.

The University applies the requirements of AASB 9 when accounting for the financial asset (e.g. cash) received. The acquisition or construction of the non-financial asset is accounted for separately to the transfer of the financial asset, in accordance with other standards.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

20 Trade and other liabilities (continued)

(a) Transfers to acquire or construct a non-financial asset

Contract liabilities include amounts received to acquire or construct a recognisable non-financial asset to be controlled by the University. These contract liabilities were \$14.5m as at 31 December 2022 (2021: \$1.6m).

During the reporting period, there were additional receipts of \$14.5m (2021: \$1.6m) and income of \$1.6m (2021: \$3.5m) was recognised as a result of acquiring or constructing non-financial assets.

There was no Australian Government unspent financial assistance in relation to transfers to acquire or construct a non-financial asset in the opening or closing balance for 2022.

Liabilities related to contracts with customers:

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Contract liabilities				
Contract liabilities - Australian Government	307,185	268,368	307,185	268,368
Other contract liabilities	173,526	142,984	173,526	142,984
Total contract liabilities	480,711	411,352	480,711	411,352

21 Borrowings

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	12,323	13,834	12,323	13,834
Total current borrowings	12,323	13,834	12,323	13,834
Non-current				
Bonds payable	399,027	398,569	399,027	398,569
Lease liabilities	72,087	68,724	72,087	68,724
Total non-current borrowings	471,114	467,293	471,114	467,293
Total borrowings	483,437	481,127	483,437	481,127

The fair value of borrowings at balance date was \$368.1m (2021: \$461.5m). Refer to Note 34 for fair value measurement. For an analysis of the sensitivity of borrowings to interest rate and foreign exchange risk refer to Note 33.

Bonds payable	Face value			
	\$'000	Term	Rate	Issue date
Tranche 2	200,000	10 years	3.75%	August 2015
Tranche 3	200,000	25 years	4.5%	November 2018

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income statement over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the Statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the economic entity has an unconditional right to defer settlement of the liability for at least twelve months after the balance date and does not expect to settle the liability for at least twelve months after the balance date.

Borrowing costs, including those incurred for the construction of any qualifying asset, are expensed as incurred.

21 Borrowings (continued)

University as lessee

Amounts recognised in the Income statement

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	4,501	4,749	4,501	4,749
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	966	1,156	966	1,156
Total	5,467	5,905	5,467	5,905

Maturity analysis - undiscounted contractual cash flows

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Less than one year	12,571	13,834	12,571	13,834
One to five years	42,154	32,891	42,154	32,891
More than five years	62,814	70,577	62,814	70,577
Total undiscounted contractual cash flows	117,539	117,302	117,539	117,302

Lease liability

A lease liability is initially measured as the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI);
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the University is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the Income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Extension and termination options are included in a number of property and motor vehicle leases across the University. These are used to maximise operational flexibility in terms of managing the assets used in the University's operations. The majority of extension and termination options held are exercisable only by the University and not by the respective lessor.

Short-term leases and leases of low-value assets

The University has elected not to recognise right-of-use assets and lease liabilities for short-term leases (leases with a lease term of 12 months or less) and leases of low-value assets (assets with an original cost less than \$10k). The University recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

21 Borrowings (continued)

University as lessee (continued)

Amounts recognised in Statement of cash flows

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net financing cash outflow for leases	16,905	19,672	16,905	19,672
Total net financing cash outflow for leases	16,905	19,672	16,905	19,672

22 Provisions

(a) Provisions

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	101,509	105,302	101,509	105,302
Long service leave	36,819	35,247	36,819	35,247
Defined benefit obligation	93,529	93,135	93,529	93,135
Provision for termination payment	4,491	1,173	4,491	1,173
Staff payment remediation provision	15,000	0	15,000	0
Provision for make good	5,546	11,696	5,546	11,696
Deferred payroll tax provisions	1,879	1,626	1,879	1,626
Building rectification provisions	45,945	49,449	45,945	49,449
Subtotal	304,718	297,628	304,718	297,628
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	12,375	10,737	12,375	10,737
Long service leave	149,953	162,574	149,953	162,574
Subtotal	162,328	173,311	162,328	173,311
Total current provisions	467,046	470,939	467,046	470,939
Non-current provisions				
Employee benefits				
Long service leave	44,164	50,335	44,164	50,335
Defined benefit obligation	1,081,567	1,348,451	1,081,567	1,348,451
Provision for make good	20,144	18,246	20,144	18,246
Deferred payroll tax provisions	21,304	26,658	21,304	26,658
Total non-current provisions	1,167,179	1,443,690	1,167,179	1,443,690
Total provisions	1,634,225	1,914,629	1,634,225	1,914,629

22 Provisions (continued)

(b) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

	Economic entity (Consolidated)			Parent entity (University)		
	Provision for make good \$'000	Deferred payroll tax \$'000	Building rectification \$'000	Provision for make good \$'000	Deferred payroll tax \$'000	Building rectification \$'000
2022						
Carrying amount at 1 January	29,942	28,284	49,449	29,942	28,284	49,449
Unused amounts reversed	(4,252)	0	0	(4,252)	0	0
Amount used	0	(5,101)	(3,504)	0	(5,101)	(3,504)
Carrying amount at 31 December	25,690	23,183	45,945	25,690	23,183	45,945
2021						
Carrying amount at 1 January	32,907	30,493	56,885	32,907	30,493	56,885
Unused amounts reversed	(1,948)	0	(1,215)	(1,948)	0	(1,215)
Amount used	(1,017)	(2,209)	(6,221)	(1,017)	(2,209)	(6,221)
Carrying amount at 31 December	29,942	28,284	49,449	29,942	28,284	49,449

(c) Employee benefits

Current provisions

Liabilities for short-term employee benefits, including wages and salaries and non-monetary benefits, are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before twelve months after the end of the reporting period.

The liability for other long-term benefits is recognised in current provisions for employee benefits if they are expected to be settled wholly before twelve months after the end of the reporting period. Other long-term employee benefits include such entitlements as annual leave, accumulating sick leave and long service leave liabilities.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates payable.

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as current liabilities, unless there is an unconditional right to defer the settlement of the liability for at least twelve months after the reporting date, in which case it would be classified as a non-current provision.

Non-current provisions

Other long-term employee benefits are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for those benefits. The University recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of a formally accepted offer of voluntary redundancy. Benefits falling due within twelve months are valued at their nominal amounts and amounts falling due more than twelve months after the reporting date are discounted to their net present values.

(d) Other provisions

Provisions are recognised when the economic entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability. The liability is reassessed each reporting period and the resulting change in value is recorded as a finance cost.

Make good provisions

The University leases a number of properties which include make good requirements at the expiry of the lease. On initial recognition of the make good provision a leasehold improvement asset is recognised to record the future economic outflows required to perform the restoration. Changes to the estimated future costs of the restoration are recognised in the Statement of financial position by adjusting the cost of the related asset.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

23 Reserves

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment revaluation reserve	866,301	785,985	866,300	785,984
Associates reserves	1,312	1,312	0	0
Balance at 31 December	867,613	787,297	866,300	785,984
Movements:				
Property, plant and equipment revaluation reserve				
Balance at 1 January	785,985	553,993	785,984	553,992
Gain on revaluation of property, plant and equipment	80,316	231,992	80,316	231,992
Balance at 31 December	866,301	785,985	866,300	785,984
Associates reserve				
Balance at 1 January	1,312	1,312	0	0
Less: transfers from reserves	0	0	0	0
Balance at 31 December	1,312	1,312	0	0

The University has the following reserves:

(i) Property, plant and equipment revaluation reserve

This reserve is used to account for the increases or decreases in the value of assets as a result of revaluations. Increases in the value of reserves are in accordance with the valuation of assets policies stated in Note 17. Decrements in reserves are either on revaluation of assets, or on disposal of assets where the disposed asset had previously been revalued and a reserve existed or on impairment of assets in accordance with AASB 136 Impairment of Assets, where a revaluation reserve had existed for that asset class.

(ii) Associates reserve

This represents the reserves held by associated entities and is recognised in the consolidated financial statements using the equity method of accounting (see Note 31).

24 Key management personnel disclosures

(a) Responsible persons, executive officers and other key management personnel

The Senate of the University oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the physical and academic development of the University. Apart from members of staff serving on Senate receiving remuneration as per their employment conditions, the Fellows of Senate received no remuneration in their capacity as Fellows of Senate. A list of the Fellows of Senate is included in the University's Annual Report.

The following persons were principal officers of The University of Sydney during the periods under review:

Professor M Scott AO (from 19 July 2021)	Ms R Murray
Professor L Jackson-Pulver AM	Mr S Philips
Ms T Rhodes-Taylor (to 19 February 2022)	Ms R Ogilvie
Professor D Ivison (to 31 March 2022)	Professor A Jagose (from 18 October 2021)
Professor E Johnston AO (from 13 July 2022)	Professor J Wright (from 1 June 2022)
Ms K Andrews (from 21 February 2022)	Ms O Perks (from 1 January 2022)
Mr R Fisher AM (to 31 December 2021)	Professor P Pattison AO (to 31 December 2021)
Professor S Garton AM (to 16 December 2021)	

24 Key management personnel disclosures (continued)

	Economic entity (Consolidated)		Parent entity (University)	
	2022 Number	2021 Number	2022 Number	2021 Number
Remuneration of principal officers				
\$225,000 to \$239,999	1	0	1	0
\$255,000 to 269,999	1	0	1	0
\$285,000 to \$299,999	1	0	1	0
\$345,000 to \$359,999	1	0	1	0
\$405,000 to \$419,999	0	1	0	1
\$465,000 to \$479,999	0	1	0	1
\$495,000 to \$509,999	0	2	0	2
\$525,000 to \$539,999	1	2	1	2
\$585,000 to \$599,999	1	0	1	0
\$600,000 to \$614,999	2	0	2	0
\$615,000 to \$629,999	1	0	1	0
\$630,000 to \$644,999	0	1	0	1
\$660,000 to \$ 674,999	0	1	0	1
\$675,000 to \$689,999	1	0	1	0
\$690,000 to \$704,999	0	1	0	1
\$720,000 to \$734,999	0	1	0	1
\$960,000 to \$974,999	1	0	1	0
\$1,095,000 to \$1,109,999	1	0	1	0
\$1,155,000 to \$1,169,999	0	1	0	1
	12	11	12	11

(b) Key management personnel compensation

	Economic entity (Consolidated)		Parent entity (University)	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Short-term employee benefits	5,489	5,425	5,489	5,425
Post-employment benefits	815	891	815	891
Other long-term benefits	399	287	399	287
Termination benefits	147	244	147	244
Total key management personnel compensation	6,850	6,847	6,850	6,847

(c) Loans to key management personnel

The University has not made any loans to key management personnel.

(d) Other transactions with key management personnel

There are no other transactions between the University and key management personnel.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

25 Remuneration of auditors

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
(a) Audit services				
Fees related to services from the Audit Office of NSW				
Audit and review of financial statements and other audit work	633	590	633	590
Audit fees paid by subsidiaries	79	74	0	0
Audit services by private sector contractors	66	62	0	0
Total remuneration for audit services	778	726	633	590
(b) Other audit and assurance services				
Fees related to services from the Audit Office of NSW				
Audit of regulatory returns	36	56	36	56
Fees paid to other audit firms	129	24	129	24
Total remuneration paid for other audit related services	165	80	165	80
Total remuneration of auditors	943	806	798	670

26 Commitments

Capital commitments

Capital expenditure contracted for at the reporting date, but not recognised as a liability, is as follows:

	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment (PP&E) commitments				
Within one year	93,667	16,831	93,667	16,831
Total PP&E commitments	93,667	16,831	93,667	16,831
Intangible asset commitments				
Within one year	22,481	12,768	22,481	12,768
Between one year and five years	356	2,058	356	2,058
Total intangible asset commitments	22,837	14,826	22,837	14,826

27 Contingencies

(a) Contingent liabilities

(i) Proceedings against the University

An estimate of the maximum exposure on proceedings against the University amounts to \$5.8m for 2022 (2021: \$4.0m).

(ii) Bank guarantee facility

The University has a bank guarantee facility in place with a facility limit of \$20.0m of which \$2.7m was utilised at 31 December 2022 (2021: \$2.8m). The bank guarantees are primarily provided as security for rental agreements relating to office space and building works.

(iii) Letters of comfort to subsidiaries

The University has provided certain controlled entities (A14 Holdings Pty Limited and Suzhou Xi Su Commercial Consulting Co., Limited) with letters of comfort guaranteeing the liabilities of those controlled entities.

As at the date of this report the letters of comfort issued to controlled entities cover net assets of \$2.7m (2021: net assets of \$3.6m).

27 Contingencies (continued)

(iv) Education Australia Limited Franking Credits

In December 2022, the University received a payment from the Australian Taxation Office (ATO) of \$22.8m settling a franking credits claim arising from the distribution of IDP Limited shares by Education Australia Limited. The ATO has subsequently issued a draft position paper indicating its view that the franking credit claim does not meet certain legislative provisions.

The University does not agree with that assertion, and if the ATO formalises that position, the University will likely commence proceedings. It is probable that the outcome of these proceedings will not be known until 2024, at the earliest.

(b) Contingent assets

The University is party to proceedings with several entities in respect to the cost of replacement of combustible cladding on University buildings. The University has lodged claims totalling \$18.2m (including legal fees) and is engaged in mediation to resolve the matter.

28 Defined benefit plans

(a) Fund specific disclosure

State Authorities Superannuation Trustee Corporation

The University maintains a reserve account within the State Authorities Superannuation Trustee Corporation to assist in financing the employer contributions to the State Authorities Superannuation Scheme (SASS), State Authorities Non-Contributory Scheme (SANCS) and State Superannuation Scheme (SSS).

These schemes are all defined benefit schemes. Each member's final benefit in relation to these schemes is derived from a multiple of their salary and years of membership. All three schemes are closed to new members.

Professorial Superannuation System (PSS)

The Professorial Superannuation System is closed to new members. Pensioner members receive pension payments from the system. These benefits are funded by contributions from system members and, if necessary, the University.

Liability

A net unfunded liability for retirement benefits of \$1,166.6m (2021: \$1,431.5m) is included in the Statement of financial position as an asset of \$8.5m (2021: \$10.1m) within non-current receivables and liabilities of \$1,082.0m (2021: \$1,348.4m) within non-current provisions and \$93.5m (2021: \$93.1m) within current provisions. \$1,173.1m (2021: \$1,438.3m) of this is payable by the Commonwealth and New South Wales governments. Details of the receivable from the Commonwealth and New South Wales governments is set out in Note 14.

The valuation methodology and principal actuarial assumptions as at 31 December 2022 are as follows:

(i) Valuation method

The projected unit credit valuation method is used to determine the present value of the defined benefit obligations and the related current service costs.

This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Economic assumptions

The principal assumptions used for the purposes of the actuarial valuations were as follows (expressed as a weighted average):

	2022	2021
	%	%
Discount rate(s)*	4.09%	1.68%
Expected rate(s) of salary increase**	3.20%	3.20%

* The actuarial calculation for the Professorial Superannuation System specifically for the University of Sydney in 2022 used 4.00% (2021: 1.60%) as the discount rate assumption.

** The actuarial calculation for the Professorial Superannuation System specifically for the University of Sydney in 2022 used 4.00% (2021: 2.50%) as the salary increase assumption. The actuarial calculation for SASS, SANCS and SSS funds in 2022 used 3.20% (2021: 3.20%) as the salary increase assumption.

The University expects to make a contribution of \$95.0m (2021: \$95.1m) to the defined benefit plans during the next financial year.

The weighted average duration of the defined benefit obligation is 8.6 years (2021: 9.7 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Defined benefit obligations - 31 December 2022	95,801	92,332	261,323	1,012,421	1,461,877
Defined benefit obligations - 31 December 2021	100,415	96,749	270,080	1,110,976	1,578,220

28 Defined benefit plans (continued)

(b) Categories of plan assets

The analysis of the plan assets at the reporting date is as follows:

	2022 \$'000		2021 \$'000	
	Active Market	No Active Market	Active Market	No Active Market
Cash and cash equivalents	7,709	12,012	8,845	13,802
Equity instruments	61,844	24,338	96,588	2,531
Debt instruments	9	13,031	6,236	7,930
Property	0	2,807	0	9,186
Other	222	27,359	3,845	29,200
Total	69,784	79,547	115,514	62,649

(c) Actuarial assumptions and sensitivity

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	+/-0.5%	Decrease by 4.0%	Increase by 4.3%
Salary growth rate	+/-0.5%	Increase by 0.1%	Decrease by 0.1%

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the Statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

28 Defined benefit plans (continued)

(d) Statement of financial position amounts

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSS	\$'000 Total
Present value obligations - 2022					
Opening defined benefit obligation	88,415	11,653	1,487,334	22,218	1,609,620
Current service cost	611	348	0	109	1,068
Taxes, premiums and expenses paid	(483)	305	(13,090)	(203)	(13,471)
Interest expense/(income)	1,371	176	24,205	336	26,088
	<u>89,914</u>	<u>12,482</u>	<u>1,498,449</u>	<u>22,460</u>	<u>1,623,305</u>
Remeasurements					
Actuarial losses/(gains) arising from changes in demographic assumptions	0	0	0	0	0
Actuarial losses/(gains) arising from changes in financial assumptions	(5,357)	(758)	(234,692)	(1,281)	(242,088)
Experience losses/(gains)	(4,665)	(1,500)	42,941	37	36,813
	<u>(10,022)</u>	<u>(2,258)</u>	<u>(191,751)</u>	<u>(1,244)</u>	<u>(205,275)</u>
Contributions					
Plan participants	730	0	139	0	869
	<u>730</u>	<u>0</u>	<u>139</u>	<u>0</u>	<u>869</u>
Payments from plan					
Benefits paid	(17,030)	(1,912)	(81,607)	(2,378)	(102,927)
	<u>(17,030)</u>	<u>(1,912)</u>	<u>(81,607)</u>	<u>(2,378)</u>	<u>(102,927)</u>
Closing defined benefit obligation	63,592	8,312	1,225,230	18,838	1,315,972
Present value of plan assets - 2022					
Opening fair value of plan assets	66,868	7,747	71,201	32,346	178,162
	<u>66,868</u>	<u>7,747</u>	<u>71,201</u>	<u>32,346</u>	<u>178,162</u>
Remeasurements					
Interest income	1,012	126	1,142	499	2,779
Actuarial losses/(gains) arising from changes in financial assumptions	(1,339)	(38)	(488)	(2,970)	(4,835)
	<u>(327)</u>	<u>88</u>	<u>654</u>	<u>(2,471)</u>	<u>(2,056)</u>
Contributions					
Employers	349	1,796	86,610	0	88,755
Plan participants	730	0	139	0	869
	<u>1,079</u>	<u>1,796</u>	<u>86,749</u>	<u>0</u>	<u>89,624</u>
Payments from plan					
Benefits paid	(17,030)	(1,912)	(81,607)	(2,378)	(102,927)
Taxes, premiums and expenses paid	(482)	304	(13,090)	(203)	(13,471)
	<u>(17,512)</u>	<u>(1,608)</u>	<u>(94,697)</u>	<u>(2,581)</u>	<u>(116,398)</u>
Closing fair value of plan assets	50,108	8,023	63,907	27,294	149,332
Reimbursement rights - 2022					
Opening value of reimbursement right	19,893	3,527	1,414,903	0	1,438,323
Expected return on reimbursement rights	621	(1,398)	(63,547)	0	(64,324)
Actuarial remeasurements	(8,683)	(2,220)	(191,263)	0	(202,166)
Remeasurement through profit or loss	252	(73)	(305)	0	(126)
Remeasurement through other comprehensive income	787	208	411	0	1,406
	<u>12,870</u>	<u>44</u>	<u>1,160,199</u>	<u>0</u>	<u>1,173,113</u>
Closing value of reimbursement right	12,870	44	1,160,199	0	1,173,113
Net liability reconciliation - 2022					
Defined benefit obligation	63,592	8,312	1,225,230	18,838	1,315,972
Fair value of plan assets	(50,108)	(8,023)	(63,907)	(27,294)	(149,332)
Net liability	13,484	289	1,161,323	(8,456)	1,166,640
Reimbursement right	12,870	44	1,160,199	0	1,173,113
Total net liability/(asset) in statement of financial position	614	245	1,124	(8,456)	(6,473)

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

28 Defined benefit plans (continued)

(d) Statement of financial position amounts (continued)

	\$'000	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	PSS	Total
Present value obligations - 2021					
Opening defined benefit obligation	105,932	14,756	1,585,223	25,322	1,731,233
Current service cost	1,034	453	0	97	1,584
Taxes, premiums and expenses paid	(46)	160	(2,067)	(97)	(2,050)
Interest expense/(income)	943	127	14,935	194	16,199
	<u>107,863</u>	<u>15,496</u>	<u>1,598,091</u>	<u>25,516</u>	<u>1,746,966</u>
Remeasurements					
Actuarial losses/(gains) arising from changes in demographic assumptions	1,985	171	(9,396)	0	(7,240)
Actuarial losses/(gains) arising from changes in financial assumptions	(1,859)	(282)	(50,068)	(1,328)	(53,537)
Experience losses/(gains)	11,542	661	27,424	365	39,992
	<u>11,668</u>	<u>550</u>	<u>(32,040)</u>	<u>(963)</u>	<u>(20,785)</u>
Contributions					
Plan participants	982	0	166	0	1,148
	<u>982</u>	<u>0</u>	<u>166</u>	<u>0</u>	<u>1,148</u>
Payments from plan					
Benefits paid	(32,098)	(4,393)	(78,883)	(2,335)	(117,709)
	<u>(32,098)</u>	<u>(4,393)</u>	<u>(78,883)</u>	<u>(2,335)</u>	<u>(117,709)</u>
Closing defined benefit obligation	<u>88,415</u>	<u>11,653</u>	<u>1,487,334</u>	<u>22,218</u>	<u>1,609,620</u>
Present value of plan assets - 2021					
Opening fair value of plan assets	93,765	9,620	61,185	31,000	195,570
	<u>93,765</u>	<u>9,620</u>	<u>61,185</u>	<u>31,000</u>	<u>195,570</u>
Remeasurements					
Interest expense/(income)	824	90	589	238	1,741
Actuarial losses/(gains) arising from changes in financial assumptions	3,349	(87)	(80)	3,540	6,722
	<u>4,173</u>	<u>3</u>	<u>509</u>	<u>3,778</u>	<u>8,463</u>
Contributions					
Employers	92	2,357	90,291	0	92,740
Plan participants	982	0	166	0	1,148
	<u>1,074</u>	<u>2,357</u>	<u>90,457</u>	<u>0</u>	<u>93,888</u>
Payments from plan					
Benefits paid	(32,098)	(4,393)	(78,883)	(2,335)	(117,709)
Taxes, premiums and expenses paid	(46)	160	(2,067)	(97)	(2,050)
	<u>(32,144)</u>	<u>(4,233)</u>	<u>(80,950)</u>	<u>(2,432)</u>	<u>(119,759)</u>
Closing fair value of plan assets	<u>66,868</u>	<u>7,747</u>	<u>71,201</u>	<u>32,346</u>	<u>178,162</u>
Reimbursement rights - 2021					
Opening value of reimbursement right	9,330	4,495	1,522,768	0	1,536,593
Expected return on reimbursement rights	1,059	(1,865)	(75,945)	0	(76,751)
Actuarial remeasurements	8,319	636	(31,959)	0	(23,004)
Remeasurement through profit or loss	(381)	25	135	0	(221)
Remeasurement through other comprehensive income	1,566	236	(96)	0	1,706
	<u>19,893</u>	<u>3,527</u>	<u>1,414,903</u>	<u>0</u>	<u>1,438,323</u>
Closing value of reimbursement right	<u>19,893</u>	<u>3,527</u>	<u>1,414,903</u>	<u>0</u>	<u>1,438,323</u>
Net liability reconciliation - 2021					
Defined benefit obligation	88,415	11,653	1,487,334	22,218	1,609,620
Fair value of plan assets	<u>(66,868)</u>	<u>(7,747)</u>	<u>(71,201)</u>	<u>(32,346)</u>	<u>(178,162)</u>
Net liability	21,547	3,906	1,416,133	(10,128)	1,431,458
Reimbursement right	19,893	3,527	1,414,903	0	1,438,323
Total net liability/(asset) in statement of financial position	<u>1,654</u>	<u>379</u>	<u>1,230</u>	<u>(10,128)</u>	<u>(6,865)</u>

28 Defined benefit plans (continued)

(e) UniSuper defined benefit division (UniSuper)

The superannuation scheme used by the University is the UniSuper defined benefit division (UniSuper), formerly known as the Superannuation Scheme for Australian Universities (SSAU).

Clause 34 of the UniSuper Trust Deed outlines the process UniSuper must undertake (including employer notifications and notice periods) in order to request additional contributions from employers if the UniSuper assets are considered by the Trustee to be insufficient to provide benefits payable under the deed. In these circumstances, at least four years notice is required. If such a request was agreed to by all employers then members would have to contribute additional funds. If all the employers did not agree to increase contributions, the Trustee would have to reduce benefits payable to members on a fair and equitable basis.

Should the balance of UniSuper become a deficit, the universities are not liable to make any payments to UniSuper unless all the universities (including The University of Sydney) who are members of UniSuper unanimously agree to make additional contributions to the fund. It is only on this basis that the universities would be liable for the agreed additional contribution. Management believes it is unlikely that any additional contribution will be required in the foreseeable future.

Historically, surpluses in UniSuper were used to improve members' benefits and have not affected the amount of participating employers' contributions.

As at 30 June 2022, the assets of UniSuper in aggregate, were estimated to be \$5,214.0m above vested benefits, after allowing for various reserves. As at 30 June 2021 the total assets of UniSuper were estimated to be \$5,070.0m above vested benefits. The vested benefits are benefits that are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2022, the assets of UniSuper in aggregate were estimated to be \$7,895.0m above accrued benefits, after allowing for various reserves. As at 30 June 2021 the assets of the fund were estimated to be \$7,339.0m above accrued benefits. The accrued benefits have been calculated as the present value of expected future benefits payments to members and indexed pensioners that arise from membership of UniSuper up to the reporting date.

(f) Retirement benefit obligations

The University provides for superannuation based on information and formulae provided by the Superannuation Administration Corporation in respect of contributors to the defined benefit schemes administered by the SAS Trustee Corporation. In addition, the University contributes to the Superannuation Scheme for Australian Universities, which is a funded defined benefits scheme that also provides an Accumulation Superannuation Plan. When necessary, the University also contributes to The University of Sydney Professorial Superannuation System.

A liability or asset in respect of defined benefit superannuation plans is recognised in the Statement of financial position, and is measured as the present value of the defined benefit obligation at the reporting date, less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, contribution taxes payable, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Statement of financial position.

Past service costs are recognised in profit or loss at the earlier of the following dates:

- a) when the plan amendments or curtailment occurs; and*
- b) when the entity recognises related restructuring costs or termination benefits*

Contributions to the defined contribution section of the University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

A liability or asset in respect of the defined benefit superannuation plan for UniSuper has not been recognised in the Statement of financial position based on advice from UniSuper that the defined benefit plan is a contribution fund for the purposes of AASB 119 Employee Benefits due to the amendment of the trust deed during 2006 (clause 34 of the UniSuper Trust Deed). The plan has been classified as a contribution plan in the parent entity's accounts.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

29 Related parties

(a) Parent entity

The ultimate parent entity within the economic entity is The University of Sydney.

(b) Controlled entities

The following entities are controlled entities of the University.

Name of Entity	Principal place of business	Ownership interest	
		2022	2021
		%	%
A14 Holdings Pty Limited	Camperdown, NSW	100	100
Suzhou Xi Su Commercial Consulting Co., Limited	Suzhou, China	100	100
Westmead IVF Pty Limited	Westmead, NSW	100	100

(c) Transactions with related parties

The following transactions occurred during the reporting period with related parties:

	2022	2021
	\$'000	\$'000
Controlled entities		
Interest income	52	48
Purchase of goods and services	2,100	2,086
Associates and joint venture		
Sales of goods and services	7,537	9,803
Purchase of goods and services	22,056	24,287
Investment in associate	1,000	1,954

(d) Outstanding balances

	2022	2021
	\$'000	\$'000
Controlled entities		
Trade and other receivables	237	192
Loans receivables	1,485	1,461
Investment in controlled entity	325	325
Trade and other payables	716	690
Associates and joint venture		
Trade and other receivables	656	421
Trade and other payables	162	77

In the current and previous year, no provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

(e) Terms and conditions of outstanding balances

During the financial year, all transactions between the University and its related parties were in the ordinary course of business and on normal arm's length commercial terms and conditions.

30 Joint operations

Name of joint operations	Nature of relationship	Principle place of business	Ownership interest/ voting rights held	
			2022	2021
			%	%
United States Studies Centre*	Australian public company, limited by guarantee	Camperdown, NSW	50	50

* The United States Studies Centre constitution prohibits distribution to members.

The University's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated in the financial statements under the appropriate headings, except where the company is prohibited from making distributions to members.

31 Investments accounted for using the equity method

(a) Associates

Name of Entity	Place of business	Measurement method	Ownership Interest	
			2022	2021
			%	%
Abercrombie Street Childcare Limited*	Darlington, NSW	Equity method	1	1
Ab initio Pharma Pty Ltd	Camperdown, NSW	Equity method	25	25
Agerris Pty Ltd	Sydney, NSW	Equity method	14	14
ANZAC Health and Medical Research Foundation*	Concord, NSW	Equity method	14	14
CAD Frontiers Pty Ltd	Melbourne, VIC	Equity method	33	0
Cicada Innovations Pty Limited	Eveleigh, NSW	Equity method	25	25
Detected-X Pty Ltd	Sydney, NSW	Equity method	20	20
Glycemic Index Foundation*	St Leonards, NSW	Equity method	50	50
Gradient Institute Ltd*	Sydney, NSW	Equity method	20	20
ImmuneSignatures Pty Ltd	Sydney, NSW	Equity method	28	33
Innowell Pty Ltd***	Camperdown, NSW	Equity method	32	45
Kinoxis Therapeutics Pty Ltd	Camberwell, VIC	Equity method	13	16
Our Futures Institute Limited*	Sydney, NSW	Equity method	50	0
Nuflora International Pty Limited	Sydney, NSW	Equity method	38	38
Praxis Australia Limited*	Eastwood, SA	Equity method	33	33
Sydney Institute of Marine Science*	Mosman, NSW	Equity method	25	25
The Transport Research Association for New South Wales (TRANSW)	Sydney, NSW	Equity method	25	25
UIIT Pty Ltd	St. Lucia, QLD	Equity method	17	17
UIIT Trust No 7**	St. Lucia, QLD	Equity method	100	100
UIIT Trust No 9	St Lucia, QLD	Equity method	25	25
Uniseed Management Pty Ltd	St. Lucia, QLD	Equity method	20	20
Westmead Institute for Medical Research*	Westmead, NSW	Equity method	33	33
Zeta Therapeutics Pty Ltd	North Curl Curl, NSW	Equity method	40	40

* These companies are public companies limited by guarantee. The constitutions of these companies prohibit distribution of funds to the members. Accordingly, interests in these companies are measured at cost and the University's share of net profit and other comprehensive income have not been recognised.

** The University holds 100% of the units in UIIT Trust No.7; however by virtue of the Unitholders Deed in relation to the UIIT's and Uniseed Management Shareholders Agreement, the trust is subject to significant influence and is therefore considered an associate.

*** Innowell Pty Ltd was previously a joint venture, however, during the year ended 31 December 2022, additional shares were issued to new shareholders. This diluted the University's ownership together with removing the joint control of the business.

Associates are entities over which the University has significant influence but not control. Investments in associates are accounted for in the parent entity using the cost method and the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The University's share of an associate's post-acquisition profits or losses is recognised in the Income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends received from associates are recognised in the parent entity's Income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the economic entity's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

31 Investments accounted for using the equity method (continued)

(b) Joint ventures

Name of Entity	Place of business	Measurement method	Ownership Interest %	
			2022	2021
University of Sydney Foundation Program Pty Limited	Waterloo, NSW	Share of net assets	50	50

Joint ventures are those joint arrangements which provide the venturer with rights to the net assets of the arrangements. Interests in joint ventures are accounted for using the equity method by the consolidated entity and are measured at cost by the parent entity.

Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition. If the venturer's share of losses of a joint venture equals or exceeds its interest in the joint venture, the venturer discontinues recognising its share of further losses.

The venturer's share in the joint venture's gain or losses arising from transactions between a venturer and its joint venture partner are eliminated. Adjustments are made to the joint venture's accounting policies where they are different from those of the venturer for the purpose of the consolidated financial statements.

32 Reconciliation of net result after income tax from continuing operations to net cash provided by/(used in) operating activities

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Net result after income tax from continuing operations	302,008	1,049,708	298,497	1,048,062
Depreciation and amortisation	205,379	214,577	205,379	214,577
(Loss)/gain on disposal of assets	73,097	(99,554)	73,097	(99,554)
Gain on equity accounted investments	(3,511)	(1,646)	0	0
Non-cash investment (income)/loss	164,164	(286,068)	164,164	(286,068)
Non-cash impairment expense	4,277	36,383	4,277	36,383
Interest costs on lease liabilities	4,501	4,749	4,501	4,749
Non-cash other expenses	3,985	22,384	3,985	22,384
(Increase)/decrease in receivables	261,737	66,681	261,737	66,681
(Increase)/decrease in current other non-financial assets	(8,621)	(5,210)	(8,621)	(5,210)
(Increase)/decrease in non-current other non-financial assets	2,568	(2,664)	2,568	(2,664)
Increase/(decrease) in payables	65,608	(8,066)	65,608	(8,066)
Increase/(decrease) in other liabilities	69,360	85,887	69,360	85,887
Increase/(decrease) in provisions	(276,900)	(153,627)	(276,900)	(153,627)
Net cash provided by operating activities	867,652	923,534	867,652	923,534

Reconciliation of liabilities arising from financing activities

	1 January 2022	Cash flow payment	Disposal/retirement	Non-cash changes			31 December 2022
				Foreign exchange movement	Fair value changes	Other	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Long-term borrowings	398,569	0	0	0	458	0	399,027
Lease liabilities	82,558	(16,905)	0	0	4,501	14,256	84,410
Total liabilities from financing activities	481,127	(16,905)	0	0	4,959	14,256	483,437

33 Financial risk management

Objectives and Policies

The University is exposed to a variety of financial risks including market risk, credit risk and liquidity risk. A risk management program is maintained that focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the University's financial performance.

A variety of risk mitigation measures are used to manage the different types of risk to which the University is exposed.

The University has adopted a Treasury Management Policy approved by the Finance Committee (FC), a Committee of Senate. Investment risk and policy is overseen by the Investment Sub-Committee (ISC) of FC. Interest rate risk is overseen by the Asset and Liability Committee.

The Treasury Management Policy establishes the policy framework for the management of interest rates, liquidity and operational funding management, foreign exchange, counterparty credit, operational risk and the investment of excess liquidity.

Consistent with asset management best practice, the University's investment funds are allocated to achieve diversification of risk. Debt investments are invested across a range of Australian dollar denominated instruments according to approved credit limits based upon credit ratings within the investment grade ratings band. Growth assets are invested across a diverse range of assets which include domestic and international asset classes and listed and unlisted investments.

In managing interest rate risk the University makes use of derivative financial instruments such as interest rate swaps to hedge cash flow risk exposures. Derivatives, in relation to the University's debt, are only used for hedging purposes, not as trading or other speculative instruments.

The University's credit rating was upgraded to Aa1 positive by Moody's in September 2022 (2021: Aa1 stable).

(a) Market risk

(i) Foreign exchange risk

The University has exposure to foreign exchange risk. This arises from holding investments denominated in foreign currencies and balances in bank accounts used to pay overseas suppliers.

(ii) Price risk

The University has exposure to equity security price risk. This arises from investments held by the University and classified on the Statement of financial position at fair value through profit or loss. The impact of a change in value of the securities would be reflected as either an increase or decrease in the fair value of the security through the net result.

The University is not materially exposed to commodity price risk.

To manage its price risk from investments in equity securities, the University has contracted the management of the portfolio to external sector specialist managers. These managers are mandated to diversify the investments of the portfolio under their management. The University's equity investments include a diverse range of asset types including domestic and international classes as well as listed and unlisted investment vehicles. The quantum of funds under management through these managers and the investment objectives of each manager are established in accordance with limits and policies set by the ISC. The University also undertakes periodic reviews of its strategic asset allocation to assess its risk return ratio.

The University's listed equity investments are all managed by external fund managers. Listed equity exposure is split between domestic and overseas shares. The hedging of offshore currency exposures is managed at a whole of portfolio level.

(iii) Interest rate risk

The University's exposure to market interest rates relates primarily to the University's floating bank facility borrowings and investment in debt securities (short term money market securities).

When appropriate, the University maintains floating to fixed interest rate profiles according to the Treasury Management Policy.

When appropriate, the University uses interest rate swaps to hedge the interest rate risk on a portion of its borrowings drawn on its floating rate bank debt facility. These interest rate swaps are designated as cash flow hedge accounting relationships.

The University's short-term cash and deposit portfolio consists of short-term deposits held with investment grade Australian banks together with cash held in an interest bearing bank account held with an investment grade Australian bank. The short-term cash and deposit portfolio is fully invested in Australian dollars. This portfolio is classified at fair value through profit or loss and as such, the impact of an interest rate change would be reflected as either an increase or decrease in the net result.

33 Financial risk management (continued)

(a) Market risk (continued)

(iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the University's financial assets and liabilities to interest rate risk, foreign exchange risk and other price risk.

Economic entity (Consolidated)

	31 December 2022											
	Interest rate risk				Foreign exchange risk				Other price risk			
	-0.25%		+0.25%		-10%		+10%		-10%		+10%	
2022												
Carrying amount	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets												
Cash and cash equivalents	1,426,272	0	0	0	0	2,790	0	(2,283)	0	0	0	0
Other financial assets (net)	2,692,564	37	0	(36)	0	70,446	0	(57,638)	0	(258,413)	0	258,416
Sub total		<u>37</u>	<u>0</u>	<u>(36)</u>	<u>0</u>	<u>73,236</u>	<u>0</u>	<u>(59,921)</u>	<u>0</u>	<u>(258,413)</u>	<u>0</u>	<u>258,416</u>
Financial liabilities												
Bonds payable	400,000	0	0	0	0	0	0	0	0	0	0	0
Total increase/(decrease)		<u>37</u>	<u>0</u>	<u>(36)</u>	<u>0</u>	<u>73,236</u>	<u>0</u>	<u>(59,921)</u>	<u>0</u>	<u>(258,413)</u>	<u>0</u>	<u>258,416</u>

	31 December 2021											
	Interest rate risk				Foreign exchange risk				Other price risk			
	-0.25%		+0.25%		-10%		+10%		-10%		+10%	
2021												
Carrying amount	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets												
Cash and cash equivalents	1,381,785	0	0	0	0	3,405	0	(2,786)	0	0	0	0
Other financial assets (net)	2,183,839	11	0	(11)	0	58,409	0	(47,789)	0	(212,345)	0	212,346
Sub total		<u>11</u>	<u>0</u>	<u>(11)</u>	<u>0</u>	<u>61,814</u>	<u>0</u>	<u>(50,575)</u>	<u>0</u>	<u>(212,345)</u>	<u>0</u>	<u>212,346</u>
Financial liabilities												
Bonds payable	400,000	0	0	0	0	0	0	0	0	0	0	0
Total increase/(decrease)		<u>11</u>	<u>0</u>	<u>(11)</u>	<u>0</u>	<u>61,814</u>	<u>0</u>	<u>(50,575)</u>	<u>0</u>	<u>(212,345)</u>	<u>0</u>	<u>212,346</u>

Note: for presentation purposes derivative financial instruments of (\$15.1m) (2021: (\$0.2m)) have been netted against other financial assets. The parent entity has not been separately disclosed on the basis that there are no material differences in Other financial assets (net).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University.

Credit exposure of the debt portfolio is controlled by counterparty limits that are reviewed and approved by the ISC. Credit risks in respect to the deferred government contribution for superannuation are discussed at Note 14. The University does not have any other significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because counterparties are banks with investment grade long term credit ratings assigned by international credit rating agencies.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. Therefore the carrying amount of financial assets recorded in the Statement of financial position represents the University's maximum exposure to credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as and when they fall due. The University's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risk damage to the University's reputation.

The University receives regular payments from the Commonwealth Government, which constitute a significant proportion of the University's income, which are known as to the date and amount in advance of their receipt. Similarly, the majority of expenses of the University are known in quantum and date in advance of their due date for payment. The short-term cash and deposit portfolio is used as a liquidity buffer for any timing mismatch of revenue inflows and expense outflows.

In addition, the University maintains lines of credit as disclosed below in Note 33(d).

The University has in place daily cash flow forecasting and review procedures to manage its liquidity risk.

33 Financial risk management (continued)

(c) Liquidity risk (continued)

The following tables detail the University's maturity profile as at 31 December 2022 and as at 31 December 2021:

Economic entity (Consolidated) and Parent entity (University)

31 December 2022

	Less than 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	Total Contractual Cash Flows \$'000	Carrying Amount \$'000
Financial liabilities					
Other current liabilities	138,633	0	0	138,633	138,633
Creditors	81,970	0	0	81,970	81,970
Bonds payable	0	200,000	200,000	400,000	399,027
Derivative financial instruments	15,074	0	0	0	15,074
Lease liabilities	12,571	42,154	62,814	117,539	84,410
Total financial liabilities	248,248	242,154	262,814	738,142	719,114

31 December 2021

Financial liabilities

Other current liabilities	120,086	0	0	120,086	120,086
Creditors	76,310	0	0	76,310	76,310
Bonds payable	0	200,000	200,000	400,000	398,569
Derivative financial instruments	188	0	0	188	188
Lease liabilities	13,834	32,892	70,576	117,302	82,558
Total financial liabilities	210,418	232,892	270,576	713,886	677,711

(d) Financial facilities and balances

The University has access to a \$400.0m (2021: \$400.0m) unsecured line of credit facility which is undrawn as at 31 December 2022 (2021: undrawn). The following table outlines details of the facilities as at 31 December 2022.

	Amount \$'000	Maturity date
Bank		
NAB	100,000	13 May 2026
Westpac	100,000	31 March 2026
HSBC	100,000	17 June 2026
ANZ	100,000	1 July 2026

The University has access to an unsecured overdraft facility of \$25.0m (2021: \$25.0m) which is unutilised at 31 December 2022. Interest would be payable at the National Australia Bank's Base Lending Indicator Rate.

There is also a credit card facility in place with total available limit of \$18.0m (2021: \$18.0m) of which \$3.8m (2021: \$0.0m) has been utilised at 31 December 2022, and a letter of credit facility of up to \$0.1m (2021: \$0.1m) which was unutilised during 2022 (2021: unutilised). The University also has access to a \$20.0m (2021: \$20.0m) bank guarantee facility of which \$2.7m (2021: \$2.8m) was utilised at 31 December 2022.

34 Fair value measurement

(a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the cash and cash equivalents and current receivables, their carrying value approximates their fair value based on credit history. It is expected that the receivables that are neither past due nor impaired will be received when due. Similarly, due to the short-term nature of current payables, the carrying value is assumed to approximate the fair value.

The only balance where the carrying amount and aggregate fair values of financial liabilities differ at balance date is borrowings, as disclosed in Note 21.

The University measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss
- Commercial properties and infrastructure

34 Fair value measurement (continued)

(a) Fair value measurements (continued)

- Heritage assets
- Livestock
- Borrowings
- Derivative financial instruments

(b) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement.

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(i) Recognised fair value measurements

Fair value measurements are categorised into the following levels at 31 December 2022

	Notes	2022 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets at fair value through profit or loss					
Listed securities	16	280,547	278,378	193	1,976
Convertible notes	16	8,300	0	8,300	0
Managed funds	16	2,249,142	0	2,249,142	0
Unlisted securities	16	4,690	0	0	4,690
Floating rate notes	16	164,959	0	161,351	3,608
		2,707,638	278,378	2,418,986	10,274
Non-financial assets					
Land and buildings	17	868,131	0	448,780	419,351
Heritage assets	17	288,770	0	270,675	18,095
Livestock	19	5,786	0	5,786	0
		1,162,687	0	725,241	437,446
Financial liabilities					
Borrowings	21	368,050	0	368,050	0
Derivative financial instruments		15,074	7,024	8,050	0
		383,124	7,024	376,100	0
Recurring fair value measurements					
Financial assets at fair value through profit or loss					
Listed securities	16	321,245	321,245	0	0
Convertible notes	16	2,702	0	2,702	0
Managed funds	16	1,809,710	0	1,803,178	6,532
Unlisted securities	16	4,487	0	0	4,487
Floating rate notes	16	45,883	0	36,748	9,135
		2,184,027	321,245	1,842,628	20,154
Non-financial assets					
Land and buildings	17	809,544	0	410,162	399,382
Heritage assets	17	274,261	0	257,577	16,684
Livestock	19	8,354	0	8,354	0
		1,092,159	0	676,093	416,066
Financial liabilities					
Borrowings	21	461,478	0	461,478	0
Derivative financial instruments		188	0	188	0
		461,666	0	461,666	0

34 Fair value measurement (continued)

(b) Fair value hierarchy (continued)

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements, see (d) below. The University's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives and traded securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). The quoted market price used for assets held by the University is the most representative of fair value in the circumstances.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the University for similar financial instruments (level 3).

Where applicable, the fair value of non-current borrowings disclosed in Note 21 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the University for similar financial instruments.

Derivative contracts classified as held for trading are adjusted to fair value by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

(c) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts determined using forward exchange rates at the balance sheet date
- other techniques, such as discounted cash flow analysis, used to determine fair value for the remaining financial instruments.

The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

In assessing the fair value, the University considers a market participant's ability to use the asset in a manner that would be the highest and best use.

All of the resulting fair value estimates are included in level 2, except for unlisted securities, heritage assets, commercial buildings and commercial infrastructure (see Note 34(d)).

Heritage assets and commercial land and buildings (classified as property, plant and equipment) are valued independently at least every three years. At the end of each reporting period, the University updates its assessment of the fair value of each asset, taking into account the most recent independent valuations. The University determines the asset's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar assets. Where such information is not available the University considers information from a variety of sources, including:

- current prices in an active market for assets of different nature or recent prices of similar assets in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for commercial land are included in level 2, while heritage assets and commercial buildings and infrastructure are split between both level 2 and level 3.

(ii) Non-recurring fair value measurements

Land and non-current assets (or disposal groups) classified as held for sale during the reporting period were measured at the lower of their carrying amount and fair value less costs to sell at the time of the reclassification. The fair value of the land was also determined using the sales comparison approach as described under (i) above.

34 Fair value measurement (continued)

(d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the years ended 31 December 2022 and 31 December 2021.

Level 3 Fair Value Measurement	Commercial properties	Other financial assets	Unlisted securities	Heritage assets	Total
2022	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	399,382	15,667	4,487	16,684	436,220
Transfers from WIP	0	0	0	0	0
Recognised in profit or loss	0	(10,083)	203	0	(9,880)
Recognised in other comprehensive income	19,969	0	0	1,411	21,380
Closing balance	<u>419,351</u>	<u>5,584</u>	<u>4,690</u>	<u>18,095</u>	<u>447,720</u>

Level 3 Fair Value Measurement	Commercial properties	Other financial assets	Unlisted securities	Heritage assets	Total
2021	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	374,553	9,130	52,888	16,684	453,255
Transfers from WIP	915	0	0	0	915
Recognised in profit or loss*	0	6,537	(48,401)	0	(41,864)
Recognised in other comprehensive income	23,914	0	0	0	23,914
Closing balance	<u>399,382</u>	<u>15,667</u>	<u>4,487</u>	<u>16,684</u>	<u>436,220</u>

The following table summarises the quantitative information in respect to significant unobservable inputs used in level 3 fair value measurements. See Note 34(c) above for the valuation techniques adopted.

Description	Fair value at 31 December 2022	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
	\$'000			
Shares - unlisted	4,690	Discount rate	15%	The higher the discount rate, the lower the fair value
Commercial buildings and infrastructure	285,944	Remaining useful life	1-100 years	A one year increase/(decrease) in the remaining life of the asset would cause a 5.3%/(5.3%) increase/(decrease) in the total FV
Heritage assets	18,095	Average value per item	5%	A 5% increase in average cost would increase fair value by \$0.9m
Total	<u><u>308,729</u></u>			

* There were no significant inter-relationships between unobservable inputs that materially affects fair value.

35 Events occurring after the balance sheet date

There are no matters or circumstances that have arisen since the end of the financial year that have affected or may subsequently affect the financial position or the state of affairs of the University or its subsidiaries.

36 Other accounting policies

(a) New Accounting Standards and AASB interpretations not yet issued

The following standards have been issued but are not mandatory for 31 December 2022 reporting periods. The University has elected not to early adopt any of these standards.

(i) AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between investor and its Associate or Joint Venture - Amendments to AASB 10 and AASB 128.

This standard applies to annual reporting periods beginning on or after 1 January 2025.

There is no material impact on the University.

(ii) AASB 2020-1 Amendments to Australian Accounting Standards - Classifications of Liabilities as Current or non-Current - Deferral of Effective Date

This standard applies to annual reporting periods beginning on or after 1 January 2023.

There is no material impact on the University.

(iii) AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimate.

This standard applies to annual reporting periods beginning on or after 1 January 2023.

There is no material impact on the University.

(iv) AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction [AASB 1 and AASB 112]

This standard applies to annual reporting periods beginning on or after 1 January 2023.

There is no material impact on the University.

(v) AASB 2021-6 Amendments of Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

This standard applies to annual reporting periods beginning on or after 1 January 2023.

There is no material impact on the University.

(vi) AASB 2021-7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

This standard applies to annual reporting periods beginning on or after 1 January 2025.

There is no material impact on the University.

(vii) AASB 2022-1 Amendments to Australian Accounting Standards - Initial Application of AASB 17 and AASB 9 - Comparative Information

This standard applies to annual reporting periods beginning on or after 1 January 2023.

There is no material impact on the University.

(viii) AASB 2022-3 Amendments To Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

This standard applies to annual reporting periods beginning on or after 1 July 2022.

There is no material impact on the University.

(ix) IFRS 16 Lease liability in a Sale and Leaseback - Amendments to IFRS 16

This standard applies to annual reporting periods beginning on or after 1 January 2024.

There is no material impact on the University.

(b) Initial application of Australian Accounting Standards

The following standards apply to annual reporting periods beginning on or after 1 January 2022. The application of all of the following standards had no impact on the financial position and performance of the University.

(i) AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

(c) Private sector participation in the provision of student accommodation

The University of Sydney has entered into an arrangement where, under a long-term lease of its land in Carillon Avenue, Newtown, a student accommodation facility has been constructed and is being operated in partnership with a private sector party. This 650 bed facility was opened in January 2003. Under the terms of the project deed, ownership in the accommodation complex reverts to the University in 2043.

37 Acquittal of Australian Government financial assistance

(a) Education - CGS and Other Education Grants

	Commonwealth Grant Scheme ¹		Indigenous Student Success Program ³		Higher Education Partnership and Participation Program		Disability Performance Funding ²		National Priorities and Industry Linkage Fund	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Parent entity (University) only										
Financial assistance received/(returned) in cash during the reporting period	313,178	319,915	1,897	1,824	2,128	2,341	353	499	8,829	8,750
Net accrual adjustments	0	(2,152)	(95)	321	0	0	0	0	0	0
Revenue for the period	313,178	317,763	1,802	2,145	2,128	2,341	353	499	8,829	8,750
Surplus/(deficit) from the prior year	0	0	272	0	3,370	3,027	(1,695)	(1,634)	0	0
Total funding available during the year	313,178	317,763	2,074	2,145	5,498	5,368	(1,342)	(1,135)	8,829	8,750
Less expenses including accrued expenses	(313,178)	(317,763)	(1,720)	(1,873)	(1,779)	(1,998)	(10)	(560)	0	(8,750)
Surplus/(deficit) for the reporting period	0	0	354	272	3,719	3,370	(1,352)	(1,695)	8,829	0

Promotion of Excellence in Learning and Teaching grant

	Tertiary Access Payment		Total	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Parent entity (University) only				
Financial assistance received/(returned) in cash during the reporting period	0	(149)	0	347
Net accrual adjustments	0	0	0	0
Revenue for the period	0	(149)	0	347
Surplus/(deficit) from the prior year	0	(149)	0	347
Total funding available during the year	0	(149)	0	347
Less expenses including accrued expenses	0	149	0	(347)
Surplus/(deficit) for the reporting period	0	0	0	0

¹ Includes the basic CGS grant amount, CGS - Enabling Loading, CGS - Medical Student Loading, Allocated Places and Non Designated Courses.

² Disability Performance Funding includes Additional Support for Students with Disabilities.

³ Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

37 **Accittal of Australian Government financial assistance (continued)**

(b) Higher education loan programs (excluding OS-HELP)

	HECS-HELP (Australian Government payments)		FEE-HELP		SA-HELP		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only								
Cash payable/(receivable) at beginning of year		1,440		(3,400)		(84)		(2,044)
Financial assistance received in cash during the reporting period	185,398	182,458	87,010	91,818	2,000	4,395	274,408	278,671
Cash available for the period								
Revenue earned	182,233	183,898	87,987	88,418	2,135	4,311	272,355	276,627
	(184,245)	(187,063)	(85,908)	(87,441)	(4,049)	(4,176)	(274,202)	(278,680)
Cash payable/(receivable) at the end of the year								
	(2,012)	(3,165)	2,079	977	(1,914)	135	(1,847)	(2,053)

4(b)

(c) Department of Education and Research

	Research Training Program		Research Support Program		Total	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only						
Financial assistance received in cash during the reporting period	90,174	91,933	86,219	182,576	178,393	274,509
Revenue for the period						
Total funding available during the year	90,174	91,933	86,219	182,576	178,393	274,509
Less expenses including accrued expenses	(90,174)	(91,933)	(86,219)	(182,576)	(178,393)	(274,509)
Surplus for the reporting period						
	0	0	0	0	0	0

4(a)

37 Acquittal of Australian Government financial assistance (continued)

(f) OS-HELP

	2022	2021
	\$'000	\$'000
Parent entity (University) only		
Cash received during the reporting period	1,458	0
Cash spent during the reporting period	<u>(6,162)</u>	<u>(7)</u>
Net cash received/(returned)	(4,704)	(7)
Cash surplus from the previous period	20 10,731	10,738
Cash surplus for the reporting period	<u>6,027</u>	<u>10,731</u>

(g) Higher Education Superannuation Program

	2022	2021
	\$'000	\$'000
Parent entity (University) only		
Cash received during the reporting period	85,887	90,291
University contribution in respect of current employees	<u>2,868</u>	<u>2,449</u>
Cash available	88,755	92,740
Cash surplus / (deficit) from the previous period	<u>0</u>	<u>0</u>
Cash available for current period	88,755	92,740
Contributions to specified defined benefit funds	28 (88,755)	(92,740)
Cash surplus/(deficit) for this period	<u>0</u>	<u>0</u>

(h) Student Services and Amenities Fee

	2022	2021
	\$'000	\$'000
Parent entity (University) only		
Unspent/(overspent) revenue from previous period	(160)	(137)
Carry forward adjustment due to capital underspend*	4,142	0
SA-HELP revenue earned	4(b) 4,049	4,176
Student services fees direct from students and amenities fees	6 15,945	15,964
Total revenue expendable in period	<u>23,976</u>	<u>20,003</u>
Student services expenses during period	<u>(17,226)</u>	<u>(20,163)</u>
Unspent/(overspent) student services revenue	<u>6,750</u>	<u>(160)</u>

*During the year ended 31 December 2022, the University performed a review of the student services and amenities fees and their respective spend allocation. It was noted that committed funding on capital projects had not been spent due to construction delays resulting from COVID-19. The University remains committed to spending the money on future capital projects for the benefit of students.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

38 US Department of Education financial responsibility supplemental schedule

For the years ended 31 December 2022 and 31 December 2021, the US Department of Education require the financial information used to compute the 'composite score' be included in the higher education provider's financial statements.

Location in Financial Statements and Related Notes	Financial Elements	2022 \$'000	2021 \$'000
	Primary reserve ratio: expendable		
Statements of Financial Position	Net assets without donor restrictions	5,636,552	5,264,221
Statements of Financial Position	Net assets with donor restrictions	889,516	883,355
Note 29 - Related parties	Secured and unsecured related party receivable (net)	1,500	1,307
Note 29 - Related parties	Unsecured related party receivable	1,500	1,307
Note 17 - Property, plant and equipment, net	Property, plant and equipment net (includes Construction in progress)	3,856,935	3,841,457
Note * - Financial responsibility supplemental schedule	Property, plant and equipment net - pre-implementation	3,210,580	3,586,298
	Property, plant and equipment - post-implementation with outstanding debt for original purchase	-	-
Note * - Financial responsibility supplemental schedule	Property, plant and equipment - post-implementation without outstanding debt for original purchase	531,844	64,019
Note 17 - Property, plant and equipment	Construction in process	114,511	191,140
Note 17 - Property, plant and equipment	Lease right-of-use asset, net	188,202	190,515
Note * - Financial responsibility supplemental schedule	Lease right-of-use asset pre-implementation	119,782	127,350
Note * - Financial responsibility supplemental schedule	Lease right-of-use assets post-implementation	68,420	63,165
Note 18 - Intangible assets	Intangible assets	160,743	163,112
Note 22 - Provisions	Post-employment and pension liabilities	1,562,590	1,835,238
Note 21 - Borrowings	Long-term debt - for long-term purposes	399,027	398,569
Note 21 - Borrowings	Long-term debt - for long-term purposes pre-implementation	399,027	398,569
	Long-term debt - for long-term purposes post-implementation	-	-
Note 21 - Borrowings	Lease right-of-use of asset liability	84,410	82,558
Note * - Financial responsibility supplemental schedule	Pre-implementation right-of-use leases liability	4,229	11,113
Note * - Financial responsibility supplemental schedule	Post-implementation right-of-use leases liability	80,181	71,445
	Annuities with donor restrictions	-	-
	Term endowment with donor restrictions	-	-
	Life income funds with donor restrictions	-	-
Statement of financial position	Net assets with donor restrictions: restricted in perpetuity	889,516	883,355
	Primary reserve: expenses and losses:		
Income statement	Total expenses without donor restrictions-taken directly from Statement of activities	2,623,616	2,483,177
Statement of comprehensive income	Non-Operating and net investment (loss)	79,995	236,500
	Net investment losses	-	-
Statement of comprehensive income	Pension-related changes other than net periodic costs	(321)	6,209

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2022
(continued)

38 US Department of Education financial responsibility supplemental schedule (continued)

Location in Financial Statements and Related Notes	Financial Elements	2022 \$'000	2021 \$'000
	Equity Ratio: Modified net assets		
Statement of financial position	Net assets without donor restrictions	5,636,552	5,264,221
Statement of financial position	Net assets with donor restrictions	889,516	883,355
Note 18 - Intangible assets	Intangible assets	160,743	163,112
Note 29 - Related parties	Secured and unsecured related party receivable (net)	1,500	1,307
Note 29 - Related parties	Unsecured related party receivable (net)	1,500	1,307
	Equity Ratio: Modified assets		
Statement of financial position	Total assets	9,532,490	9,299,018
Note * - Financial responsibility supplemental schedule	Lease right-of-use assets pre-implementation	119,782	127,350
Note * - Financial responsibility supplemental schedule	Pre-implementation right-of-use assets liability	4,229	11,113
Note 18 - Intangible assets	Intangible assets	160,743	163,112
Note 29 - Related parties	Secured and unsecured related party receivable (net)	1,500	1,307
Note 29 - Related parties	Unsecured related party receivable (net)	1,500	1,307
	Net income ratio		
Statement of financial position	Change in net assets without donor restrictions	372,331	1,110,084
Income statement less change in net assets with donor restrictions	Total revenue and gains	2,915,952	3,356,761
Note * - Financial responsibility supplemental schedule			
	Lease right-of-use assets		
	Lease right-of-use assets - pre-implementation	119,782	127,350
	Lease right-of-use assets - post-implementation	68,420	63,165
		188,202	190,515
	Lease liabilities		
	Lease liability - pre-implementation	4,229	11,113
	Lease liability - post-implementation	80,181	71,445
		84,410	82,558
	Land, building and equipment		
	Land, buildings and equipment - pre-implementation	3,210,580	3,586,298
	Land, buildings and equipment - post-implementation	531,844	64,019
		3,742,424	3,650,317

Wayne Andrews

Chief Financial Officer

END OF AUDITED FINANCIAL STATEMENTS

AUDITED BY THE AUDIT OFFICE OF NEW SOUTH WALES



THE UNIVERSITY OF
SYDNEY

The University of Sydney

NSW 2006 Australia

+61 2 9351 2222

sydney.edu.au

About the annual report

This report was produced by the Office of the Vice-Chancellor and President at the University of Sydney in line with the University's reporting obligations. To find out more about the University's current activities, please visit sydney.edu.au/about

Once the 2022 Annual Report has been tabled in Parliament a digital version will be available at sydney.edu.au/annual-report

For more information please email vice.chancellor@sydney.edu.au

Printing costs

Printing costs to comply with NSW annual reporting and legal deposit requirements:
\$117 (excluding GST)

ISSN 0313-4474

© The University of Sydney 2023

ABN 15 211 513 464

CRICOS 00026A

TEQSA PRV12057